



# **Sundram Fasteners Limited**

CIN: L35999TN1962PLC004943

Registered Office: 98-A, VII Floor, Dr. Radhakrishnan Salai  
Mylapore, Chennai - 600 004

Phone: +91 - 44 - 28478500 | Fax: +91 - 44 - 28478508 / 28478510

E-mail: [investorshelpdesk@sfl.co.in](mailto:investorshelpdesk@sfl.co.in) | [www.sundram.com](http://www.sundram.com)

## **MEMORANDUM & ARTICLES OF ASSOCIATION**

## **MEMORANDUM OF ASSOCIATION**





Form I.R.

## CERTIFICATE OF INCORPORATION

No. 4943 of 19 62.

I hereby certify that KASJAX ENGINEERING ANCILLARIES  
PRIVATE LIMITED \*

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956)  
and that the Company is Limited.

Given under my hand at Madras

this Tenth day of December  
Nineteenth Agrahayana  
One thousand nine hundred and sixtytwo.  
One thousand eight hundred and eightyfour (saka)

(M.V. Warerkar)  
Registrar of Companies.

TAMIL NADU

J.S.C. 1

MFP—1037 JSC—12401—(C-1082)—19-8-57—15,000.



**MEMORANDUM OF ASSOCIATION**

**of**

**Sundram Fasteners Limited**

- I. The name of the Company is “SUNDRAM FASTENERS LIMITED”.
- II. The registered office of the Company will be situate in the State of Tamil Nadu.
- III. The objects for which the Company is established are: -
  1. To carry on the business of manufacturers, merchants and dealers in High Tensile bolts, nuts, rivets, washers, split pins, slotted-nuts, castle-nuts, simmonds-nuts, allen screws, slotted and recessed head-screws, cap-nuts, cotter-pins, split and tabular rivets, dog spikes, turn spikes, manufactured out of iron, steel, brass, bronze, stainless steel, aluminium and other metal products as accessories for automobiles, railways and permanent ways, ship buildings, engineering industries, building industries, agricultural industries, machinery tools, implements, petroleum and chemical industries and machinery of all kinds.
  2. To carry on the business of manufacturers, importers, exporters, distributors, dealers, agents of machine tools, workshop accessories, machinery and parts and electrical accessories of all descriptions and general merchandise and Engineering and motorcar accessories and parts.
  3. To carry on the business of founders of ferrous and nonferrous metals, sheet-metal work, Mechanical, Structural, Electrical and metallurgical engineers, water supply engineers, welding engineers, Refrigerator and Air-conditioning Engineers, Radio Engineers.
  4. To Carry on the work of forgers, heat treaters, electro-platers, mill wrights, machine makers, blacksmiths, steel rollers, wire drawers, other steel extruded items, wood workers, painters, gas-makers, farmers, printers, carriers, watchmakers, merchants and builders.
  5. To buy, sell, manufacture, repair, convert, alter, to let on hire and deal in machinery, implements, steel, ferrous and non-ferrous metals, rolling stock and hardware of all kinds.
  6. To carry on the business of iron and steel convertors, tool makers and to establish Tool Room for the purpose.
  7. To carry on the business of electricians, mechanical engineers, manufacturers, works and dealers in electrical, mechanical machines, appliances, apparatus and goods.
  8. To Purchase, take on lease or in exchange or otherwise acquire any land and building in India or elsewhere and any estate or interest in any rights connected with any such lands and buildings and to sell, lease or let out on rent such premises and lands.
  9. To buy, sell, import, export, manipulate, prepare for market and deal in merchandise of all kinds, generally to carry or business as merchants, importers and exporters in goods articles and merchandise of all kinds.
  10. To purchase, acquire by sale or lease or otherwise premises fit for any storage, cold storage or godowns and other premises of similar nature and to rent out, lease or sub-let the same.
  11. To carry on business as Sales agents and Distributing agents of all kinds of goods and merchandise and as Manufacturers’ Representatives, Sales agents, Stockists, or Distributors of all kinds of manufactured goods.
  12. To acquire and run any industrial concern, factory or mill as the Company may deem fit.
  13. To employ experts to investigate and examine into the condition, prospects, value, character and nature of any business concerns and undertakings and generally of any assets property or rights
  14. To build, alter, construct and maintain any mills, factory warehouses, chambers, dwellings, reservoirs, tanks, roads, railways or other buildings of work necessary for the purpose of the Company or which can be conveniently used in connection therewith.

15. To acquire in India or elsewhere by purchase, lease or otherwise for the purposes of the Company, any real or personal, movable or immovable property, rights or privileges, including any land building, rights of any easements, licences, concessions and privileges, patents and patent rights, trade marks, machinery, rolling stock, plant, utensils, accessories and stock in trade.
16. To enter into partnership or into any arrangements for sharing profits or remuneration amalgamation, union of interest, co-operation, joint adventures, reciprocal concession, technical assistance or otherwise with any person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or any business undertaking or transaction which may seem capable of being carried or conducted so as directly or indirectly to benefit the company; and to lend money, to guarantee the contracts of or otherwise assist any such person, firm or company and to place, take or otherwise acquire and hold shares or securities of any such person, firm or company and to sell and hold, re-issue, with or without guarantee, or otherwise deal with the same.
17. To amalgamate with any other company or companies having objects altogether or in part similar to those of this Company.
18. To assist any company financially or otherwise, by issuing or subscribing for or guaranteeing the subscription and issue of capital, shares, stock, debentures, debenture stock or other securities of any company, notwithstanding there may be liability thereon.
19. To take or otherwise acquire and hold shares in any other company and to pay for properties, rights or privileges, acquired by this Company, either in shares of this Company, or partly in shares and partly in cash or otherwise and to give shares or stock of this Company in exchange for shares or stock of any other company.
20. To pay all the cost, charges and expenses of and incidental to the promotion, formation, registration and establishment of the company and the issue of its capital including any underwriting or other commissions, broker's fees and charges in connection therewith and to remunerate or make donations to (by cash or other assets or by the allotment of fully or partly paid shares, or by call or option on shares, debentures, debenture stock or securities of this or any other company or in any other manner, whether out of the Company's capital or profits or otherwise) any person or persons for services rendered or to be rendered in introducing any property or business to the company or in placing or assisting to place, or guaranteeing the subscription of any shares, debentures, debenture stock or other securities of the Company or for any other reason which the company may think proper.
21. To procure the incorporation, registration or other recognition of the Company in any country, state or place and to establish and regulate agencies for the purpose of the Company's business and to apply or join in applying to any Parliament, Local Government Municipal or other authority or body, British, Colonial or foreign, for any acts of Parliament, laws, decrees, concessions, orders, rights or privileges that may seem conducive to the Company's objects or any of them and to oppose any proceedings or applications which may seem calculated directly to prejudice the Company's interests.
22. To draw, accept and make and to endorse, discount and negotiate promissory notes, hundies, bills of exchange, bills of lading and other negotiable instruments connected with the business of the company.
23. To incur debts for the conduct of any business of the Company or to purchase, hire purchase or hire goods, materials or machinery on credit or otherwise for any business or purpose of this company.
24. To borrow or raise money or to receive money or deposit at interest or otherwise in such manner as the Company may think fit and in particular by the issue of debentures or debenture stock, perpetual or otherwise, including debentures or debenture stock convertible into shares of this or any other company or perpetual annuities; and in security of any such money so borrowed, raised or received, to mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or to convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient and to purchase, redeem or pay off any such securities, without doing the business of Banking as defined in the Banking Companies Act, 1949.
25. To improve, manage, work, develop, lease, mortgage, abandon or otherwise deal with all or any part of the property, rights and concessions of the Company.

26. To create any Depreciation Fund, Reserve Fund, Sinking Fund, Insurance Fund or any other special funds, whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company or for any other purposes conducive to the interest of the company.
27. To distribute any of the property of the Company amongst the members in species or kind.
28. To do all or any of the above things and all such other things as are incidental or may be thought conducive to the attainment of the above objects or any of them in any part of the world and as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.
29. To discount, buy, sell, deal in bills, notes and other negotiable or transferable securities or documents.
30. To raise and borrow money and secure the payment of money by such means, upon such terms and conditions and in such manner as may be determined and particularly by endorsing and transferring by way of security, bills of exchange, promissory notes or other negotiable instruments executed in favour of the Company by customers and others, by pledge of goods and the other movable properties of the Company and also by creating sub-pledges and sub-mortgages of other securities delivered to the Company by customers and documents of title relating to movable and immovable properties delivered with interest and create a security thereon in favour of the Company, by the creation of mortgages over immovable properties of the Company and by the issue of bonds, debentures, debenture-stock or other securities, either perpetual or terminable and charged specifically or by way of floating charges or otherwise, upon all or any part of the undertaking, property and rights, its uncalled capital if any, without doing the business of Banking within the meaning of Banking Companies Act, 1949.
31. To manufacture, produce, process, buy, sell, import, export and otherwise deal in all kinds of metallic and non-metallic, both ferrous and non-ferrous, alloy, metallurgically compounded, cement, ceramic, refractory and all other kinds of powders manufactured out of iron, steel, copper, tin, lead, zinc, aluminium, manganese, nickel, chromium, gold, silver, platinum, molybdenum, cobalt, vanadium, tungsten, titanium, niobium and other metals and non-metals and to manufacture, produce, process, buy, sell, import, export and otherwise deal in products of all kinds and for all purposes manufactured out of the above powders or combinations thereof in whole or in part, in finished or semi-finished forms.
32. To manufacture, produce, process, buy, sell, import, export and otherwise deal in components, parts and accessories of all automotive and non-automotive vehicles of every kind.
33. To carry out and conduct research and development, implement, manufacture, assemble, alter, convert, modify, buy, sell, import, export, give or take on lease or on licence or on hire, service, repair or otherwise deal in computers, computer hardware, calculators, computer peripherals and accessories, typewriters, printers, hard discs, floppy discs, magnetic tapes and other data storage devices, audio and video cassettes, integrated and microelectronic circuits, silicon and other electronic chips, voltage stabilizers, uninterrupted power supply systems and business machines of all kinds and all other devices, components, assemblies, sub-assemblies, spare parts and accessories used for or in connection with the above for applications of every kind.

To conduct research in computer software and systems as well as computer programmes and programming languages and to develop, implement, manufacture, assemble, alter, convert, modify, buy, sell, import, export, give or take on lease or on licence or on hire, service or otherwise deal in software, programmes and programming languages, systems including expert systems and other packages for computers, computer hardware, calculators, computer peripherals and accessories, data processing including electronic data processing, printers, hard discs, floppy discs, magnetic tapes and other data storage devices, integrated and microelectronic circuits, silicon and other electronic chips, voltage stabilisers, uninterrupted power supply systems and business machines and electronic devices of all kinds.

To provide consultancy in the areas of computer, computer hardware, software, systems, including information systems and expert systems, artificial intelligence and robotics and to generally act as consultants and advisors on all kinds of electronic devices for business, commercial, industrial, scientific, professional, academic and all other kinds of applications and to provide data processing and other allied clerical, supervisory and expert services.

\* Clauses 31 to 39 inserted on 30/3/1991



To supply to the users, systems help, know-how, programmes and other software, user and other manuals, drawings and designs, technical documentation and all other brochures and literature relating to the use of the aforesaid machines, equipments and apparatus; and to provide training to personnel in all the areas concerning the above.

34. To take over the management, supervision or control of the business or operations of any firm, company, undertaking, society, co-operative or any other organisation and for that purpose to appoint and remunerate any Directors, accountants or other experts or agents.
35. To conduct and carry on research and to establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops and scientific, technical and other types of research and experiments either for its own business or objects or for the business or objects of any other persons, firm, company, body corporate, association, society, organisation or Government, whether Central, State or Local, in the areas of mechanical, electrical, chemical and other branches of engineering, electronics, computers, computer systems and peripherals, artificial intelligence and robotics, all branches of medicine, genetics and other life sciences, organic and inorganic chemicals, petrochemicals, drugs and pharmaceuticals, dyestuffs, plasticizers, textiles, man-made fibers, oils, fats, detergents and all other areas of science and technology; to promote scientific and technical studies, research, investigations and inventions by providing, subsidising, endowing or assisting laboratories workshops, libraries, lectures, meetings and conferences and by providing remuneration and other benefits to scientific and technical personnel, professors, teachers and scholars and by providing for awards, exhibitions, scholarships, prizes and grants to students and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind.
36. To accumulate funds and to provide financial assistance, with or without security, by way of lending, investment or otherwise, to such persons, firms, associations, trusts, institutions, companies or bodies corporate in such manner and on such terms and conditions as the Board of Directors may deem fit, without carrying on the business of Banking within the meaning of the Banking Companies Act, 1949.

To guarantee the payment of money and the performance of contracts or engagements entered into by any company or person; to secure the payment of money and the performances of any contract or engagement entered into by this or any other company or person; to discharge any debt or other obligation of or binding upon this or any other company or person by mortgage or charge upon all or any part of the undertaking, property and rights of the Company (either present or future or both) including its uncalled capital or by the creation or issue of debentures, debentures stock or other securities or by any other means; and to generally give indemnities and guarantees.

37. To provide for the welfare of the employees and former employees of the Company and of the wives, widows, families or dependents of such persons by grant of money, pension, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to funds, trusts, institutions and other associations.
38. To establish and maintain or assist in the establishment and maintenance of any trust, association, society, company, body corporate or other organisation or institution, for carrying on any activity for the promotion of art, science, commerce, education, sports and games, music, dance, drama and other theatrical activities, cinema and any other activity for the common good and for pursuing charitable, benevolent, religious, scientific, cultural, sports and games, national, public or other useful activities, objectives or purposes and to subscribe for, contribute to or otherwise assist in, whether by way of grants in cash or in kind or otherwise, the pursuit of the above activities, objectives or purposes by the aforesaid trust, association, society, company, body corporate or other organisation or institution or by any other trust, association, society, company, body corporate or organisation or institution formed with similar objectives and to contribute for the promotion of or opposition to any Bill in Parliament or State Legislature or any other purpose including political purpose, subject to the provisions of the Companies Act 1956.
39. To undertake, carryout, promote, sponsor or assist in the execution and promotion of any programme of rural or community development, including any programme for promoting the social and economic welfare or uplift of the public and to incur expenditure on any such programme as well as in the establishment, running, maintenance and operation of schools, colleges and other educational and vocational institutions; hospitals, nursing homes and dispensaries, poultry farms, dairy farms and animal husbandry centers; schemes for water supply by means of wells including bore-wells, tanks, canals, pumps and any other means; minor and other irrigation works; drainage and sewage systems and any other project for common good and welfare, with power

\* Clauses 31 to 39 inserted on 30/3/1991

to the Directors to transfer, with or without consideration, or divest the ownership of, any property of the Company, to or in favour of any person or persons, including any public or local body or authority, Central or State Governments, any public institution or any trust or fund as the Directors may in their sole and absolute discretion decide.

40. [##]To carry on the business of mechanical engineers, designers, erectors, maintenance engineers, exporters, importers, manufacturers of and dealers in machines, components and accessories of all kinds, steam, water, oil and gas engines, pumps, mills, looms, lifts, hoists and cranes of every description, carbon products of all kinds and automotive ancillaries of every description.
41. To carry on the business of electrical and electronic engineers, electricians, contractors, designers, maintenance engineers, manufacturers if and dealers in electrical and electronic products of all kinds, generators, accumulators, wires, cables and lamps and electronic devices and controls.
42. To carry on the business of importing, exporting, buying, selling dealing in distributing, converting, manufacturing, machining, finishing or otherwise to handle all kinds of machinery particularly to melt, mould, cast, forge, machine, finish, assemble or manufacture otherwise, and sell either part components and or whole range of equipment of ferrous, non-ferrous, plastic and other material.
43. To manufacture and deal in ball bearings, gears, rods and shafts and merchant sections and angles, axles, screws, bolts and nuts of all sizes and shapes, couplers and coupling rods, coils and springs, bushes, bearings supports, stays, stanchions, ingots, die blocks moulds, rolls, wire meshes and wire ropes, cables, housing brackets, pivots, flanges, wheels and all other products that could be cast, machined and finished or produced otherwise.
44. To erect work and maintain, ferrous and non-ferrous foundries, forging shops, machine tool shops, pattern shops, assembly shops, factories, godowns, ware-house, stockyards and buildings necessary for the manufacture of castings, and finished products of all steel, alloy steel cast iron, malleable iron, Spheroidal Graphite iron and all other ferrous and non-ferrous products in combination with various alloys and elements.
45. To carry on the business of mechanical engineers and manufacturers of machinery, tool makers, brass founders, metal workers, boiler makers, mill-wrights machinists, iron and steel makers and converters, smiths, wood-workers, builders, metallurgists, water supply engineers, gas makers, printers, carriers, and merchants, and to buy, sell, manufacture, repair, convert, alter, let on hire, and deal in machinery, implements, rolling stock and hardware of all kinds.

[##] Clauses 40 to 45 inserted pursuant to the Scheme of Amalgamation approved by the Hon'ble High Court, Madras on 25th March 2004.

**IV. The Liability of the members is LIMITED.**

- [\*] V. The Share Capital of the Company is Rupees Twenty-five Crores divided into 25,00,00,000 Equity Shares of Re.1 each. The Company shall have the power, from time to time, to increase or reduce its capital and to issue any Shares in the original or new capital as ordinary or referred Shares and to attach to any Class or Classes of such shares, any preferences, rights, privileges or priorities in payment of dividends or distribution of assets or otherwise over any other Shares or to subject the same to any restrictions, limitations or conditions and to vary the regulations of the Company as far as necessary to give effect to the same and upon the sub-division of a Share to apportion the right to participate in profits in any manner.

\* (V) Amended vide Resolution dated 12-12-2003.

## Sundram Fasteners Limited

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

Names, Addresses, Descriptions And Occupations of Subscribers	Number of Shares taken by each subscriber	Names,Addresses,Descriptions and Occupations of Witnesses
P.T. Kasthuri S/o P.T.Venkatachary 1, Teachers' Colony, Madras – 14	(1) One	K.S.Parthasarathy S/o K.S.Srinivasacharya, Chartered Accountant, 49, Soliappa Mudali Street, Mylapore, Madras – 4
N.E. Jagannathan, S/o N.E.Vijayaraghavachari, 3-A, Harley's Road, Madras – 10	(1) One	
Total shares taken	2	

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Madras  
Dated : 29-11-1962

## **ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**SUNDRAM FASTENERS LIMITED**

The following regulations in these Articles of Association were adopted pursuant to the special resolution passed by the shareholders at the annual general meeting held on 22<sup>nd</sup> September, 2014 in lieu of and to the entire exclusion of the earlier regulations contained in the Articles of Association.

<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
1	Table “F” excluded	
	(1) The Regulations contained in “Table F” in the Schedule I to the Companies Act, 2013 shall not apply to the company, except in so far as the same are repeated or expressly made applicable in these articles or by the said Act.	Table F not to apply
	(2) These regulations for the management of the Company and for the observance by the members thereto and their representatives shall be subject to any exercise of the statutory powers of the company with reference to the deletion or alteration or addition to its regulations by resolution as permitted or prescribed under the Companies Act, 2013.	Company governed by these Articles
	Interpretation	
2 (1)	The marginal notes given in these Articles shall not affect the construction of the articles.	
	(a) “The Act” or “The Companies Act” shall mean the Companies Act, 2013, its rules, any statutory modifications or reenactments thereof and includes the applicable section relevant for that Article in which the said term appears in these Articles and any previous company law, so far as applicable.	The Act
	(b) “Articles” means these Articles of Association of the company or as altered from time to time.	The Articles
	(c) “Board of Directors” or “Board” means the collective body of the Directors for the time being of the company.	The Board of Directors or Board
	(d) “Business Day” shall mean each Monday, Tuesday, Wednesday, Thursday and Friday, which is not a day on which banking institutions in the City of Chennai, India, are authorized or obligated by law or executive order to close.	Business day
	(e) “Chairperson” includes a person designated as Chairman	Chairperson / Chairman
	(f) “Company” means Sundram Fasteners Limited	The Company
	(g) “Depository” means as defined in the Act	Depository
	(h) “Director” shall mean a director on the Board.	Director

<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
	(i) "In Writing" and "Written" includes printing, lithography and other modes of representing or reproducing words in visible form including in electronic form	Writing / Written
	(j) "Member" shall mean the registered holder for the time being of any shares in the Capital of the Company and without limitation shall include a Shareholder	Member
	(k) "Memorandum" shall mean the Memorandum of Association of the Company, as amended, modified or supplemented from time to time pursuant to applicable Law;	Memorandum
	(l) "Month" means calendar month;	Month
	(m) "Proxy" includes Attorney duly constituted under a Power of Attorney to vote for a member at a general meeting of the Company on a poll.	Proxy
	(n) "Rules" means Rules prescribed under the Act	Rules
	(o) "Shareholder" shall mean any person holding a legal and beneficial interest in the Shares and shall include, without limitation, a Member.	Shareholder
	(p) "Seal" means the Common Seal for the time being of the Company.	Seal
	(q) "The Office" means the Registered Office for the time being of the Company.	Registered Office
2 (2)	Where the context admits or requires, words importing the singular number shall include the plural number and vice versa and words importing the masculine gender shall include feminine gender.	Number and Gender
(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.	Expressions in these regulations to have the same meaning as in the Act.
<b>Share Capital</b>		
3	The authorised share capital of the company shall be such amount and of such description as is stated for the time being or at any time in the Company's Memorandum of Association with such rights, privileges and conditions provided by any statutory enactment for the time being in force and as may be provided by these Articles or by a Resolution passed at a General Meeting duly convened and held for the purpose.	Share Capital
4	(1) Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Board, who may issue as they may from time to time think fit and 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 a part or as a payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered to or to be rendered to the company in or about the formation or promotion of the Company or the acquisition and / or conduct of its business and any shares may be allotted as fully paid-up shares and if so issued, shall be deemed to be fully paid-up shares.	Board's control and power to issue shares
	(2) The Board shall also have the power to issue shares at a premium or at par or at a discount, subject to compliance of the Act on such terms as they deem fit, from time to time.	



<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
5	An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of the shares within the meaning of these articles; and every person who thus or otherwise accepts any shares and whose name is on the register shall for the purpose of these Articles be a shareholder.	Acceptance of shares
6	Every person whose name is entered as a member in the register of member shall be entitled to receive without payment within such statutorily prescribed period from the date of application, application for registration of transfer, transmission of share or debentures –  (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.	Issue of Share Certificate(s)
7	Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon	Certificate to bear the Common Seal
8	In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint-holders shall be sufficient delivery to all such holders.	Certificate for joint holders
9	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 twenty rupees for each certificate.	Issue of new share certificate in place of old, defaced, worn out, lost certificates, sub-division or consolidation
10	If any certificate is lost or destroyed, the Company may, upon such evidence and proof of such loss or destruction and on execution of such indemnity / affidavit as the Board deem adequate, issue a new certificate in lieu thereof on payment of fees as fixed by the Board for each certificate.	Issue of duplicate share certificate
11	Any person (whether the registered holder of the shares or not) being in possession of any share certificate or share certificates for the time being may surrender the said share certificates to the Company and apply to the Company for the issue of two or more fresh share certificates comprising the same shares bearing the same distinctive numbers comprised in the said certificate and in such separate lots as he may desire in lieu of such share certificate so surrendered or for the consolidation of the shares comprised in such certificates into one certificate and the Directors may at their discretion on payment of a fee of Re.1/- for each such new share certificate, in lieu of and in cancellation of certificates so surrendered, issue one or more such share certificates as the case may be in the name of the person or persons in whose name the original certificate stood and the new certificates so issued shall be delivered to the person who surrendered the original certificates or to his order.	Sub-division / Consolidation of Shares

<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
12	The provisions of these articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities including debentures of the Company.	Provisions relating to issue of share certificates to apply for debentures
13	The Share capital may be divided into different class 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 the Act, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of that class, as prescribed by the Act.	Variation of Member's Rights
14	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 redeemed or converted into equity shares, on such terms and conditions and in such manner as may be determined by the Board.	Power to issue redeemable preference shares
15	<p>The Board or the company, as the case may be, subject to the provision of the Act may issue further shares to:-</p> <p>(a) Persons who, at the date of offer, are holders of equity shares of the company; such offer 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; or</p> <p>(b) Employees under any scheme of employees' stock option; or</p> <p>(c) Any other person other than those referred in (a) and (b) above</p> <p>(d) By way of preferential offer or private placement as the board may determine.</p>	Further issue of share capital
16	The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed such percentage of the price of shares / debentures as may be statutorily permitted. 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. The Company may also, on any issue of shares, pay such brokerage as may be lawful.	Power to pay Commission
<b>Lien</b>		
17	<p>(1) The company shall have a first and paramount lien—</p> <p>(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</p> <p>(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:</p> <p>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.</p> <p>(2) 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.</p>	Company's lien on shares and disposal of shares thereof

<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
	<p>(3) The Company's lien shall be absolute and hence company shall not be bound to recognize any equitable or other claim or interest of any other person, creditor of the registered holder unless required by a court of competent jurisdiction or by any statute.</p> <p>(4) Unless otherwise agreed 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.</p> <p>(5) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:</p> <p>Provided that no sale shall be made—</p> <p>(a) unless a sum in respect of which the lien exists is presently payable; or</p> <p>(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.</p> <p>(6) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</p> <p>(7) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>(8) 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.</p>	
18	<p>(1) 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:</p> <p>(2) 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.</p> <p>(3) A call may be revoked or postponed at the discretion of the Board.</p>	Calls on shares and Calls-in-advance
19	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.	Call when made
20	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders

<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
21	<p>(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 sums due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate, as the Board may determine.</p> <p>(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	Call not paid on time may carry interests
22	<p>(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.</p> <p>(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.</p>	Sums payable deemed to be calls
23	<p>The Board—</p> <p>(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</p> <p>(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.</p>	Calls-in-advance may carry interest
<b>Transfer of Shares</b>		
24	The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. 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.	Transfer of Shares
25	Every endorsement upon the certificate of any share in favour of any transferee shall be signed by a Director or by some other person for the time being duly authorised by the Board of Directors in that behalf. In case any transferee of a share applies for a new certificate in lieu of the old or existing certificate, he shall be entitled to receive a new certificate upon his delivering up to be cancelled every old or existing certificate which is to be replaced by a new one.	Transfer Endorsement
26	Subject to the provisions of the Act or any other law for the time being in force, the Board may, at their absolute discretion, decline to register transfer of any share whether fully paid or not to a person of whom they do not approve or any transfer on which the Company has a lien.	Board may refuse to register transfer
27	<p>The Board may decline to recognize an instrument of transfer unless: -</p> <p>(i) the instrument of transfer is duly executed and is in the form prescribed in the Rules made under the Act.</p> <p>(ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and</p> <p>(iii) the instrument of transfer is in respect of only one class of shares;</p>	Board may decline to recognise instrument of transfer

<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
28	On giving not less than seven days' previous notice in accordance with the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:  Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.	Suspension of registration of transfers
29	The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the company	Provisions relating to transfer of shares to apply for debentures
Transmission of Shares		
30	(1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.  (2) Nothing in clause (1) 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.	Transmission of Shares
31	(1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either —  (a) to be registered himself as holder of the share; or  (b) to make such transfer of the share as the deceased or insolvent member could have made.  (2) 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.	Rights of the Board with respect to transmission
32	The company, directors, its officers shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.	Indemnity to the Company
33	(1) 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.  (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.  (3) 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.	Right to elect as a holder of share

<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
34	<p>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:</p> <p>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.</p>	Entitlement of the claimant
35	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appear on the Register of Members as the holder of any share or whose name appear as the beneficial owner of 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 or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not he shall have express or implied notice thereof.</p>	Registered holder to be the absolute owner
36	<p>The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.</p>	Provisions relating to transmission of shares to apply for debentures
37	<p>All documents or notices to be served or given by members on or to the Company or to any officer thereof shall be served or given by sending it to the Company or officer at the office by post or leaving it at the office. Provided that where the 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 compact discs; memory card or pen drives etc.</p>	Serving of documents on the company
<b>Shares held in Depository</b>		
38	<p>(1) Except as specifically provided in these articles, the provisions relating to joint holder of shares, calls, lien on shares, forfeiture of shares, transfer and transmission of shares and voting at meeting shall be applicable to shares held in a depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act, 1996 or any other law for the time being in force.</p> <p>(2) 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 an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 or any other law for the time being in force shall apply.</p> <p>(3) A Register and an index of beneficial owners in the manner prescribed in the Act maintained by a depository under the provisions of the Depositories Act, 1996 or any other law for the time being in force shall be deemed to be a register of members, index of members and register and index of debenture-holders, as the case may be, for the purpose of the Act.</p>	Shares held in Depository



<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
	<b>Alteration of Capital</b>	
39	<p>(1) 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.</p> <p>(2) Subject to the provisions of section 61, the company may, by ordinary resolution,—</p> <p>(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</p> <p>(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;</p> <p>(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</p> <p>(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.</p>	Power to alter the share capital
40	<p>Where shares are converted into stock,—</p> <p>(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:</p> <p>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.</p> <p>(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>(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.</p>	Conversion of shares into stock
41	<p>The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—</p> <p>(a) its share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any share premium account.</p>	Reduction of share capital

<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
	<b>Capitalisation of Profits</b>	
42	<p>(1) The company in general meeting may, upon the recommendation of the Board, resolve —</p> <p>(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 38, either in or towards —</p> <p>(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;</p> <p>(c) Partly in the manner specified in sub-clause (a) and partly in the manner specified in sub-clause (b)</p>	Capitalisation
43	<p>(1) 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;</p> <p>(2) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.</p>	Application of Securities Premium Account & Capital Redemption Reserve
44	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and</p> <p>(b) generally do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have power —</p> <p>(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;</p> <p>(3) Any agreement made under such authority shall be effective and binding on such members.</p>	Powers of the Board

Article No.	Article	Marginal Notes
	Buyback of Shares	
45	Notwithstanding anything contained in these articles but subject to the provisions of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy-back of Shares
	General Meetings	
46	(1) All general meetings other than annual general meeting shall be called extraordinary general meeting.  (2) The Board may, whenever it thinks fit, call an extraordinary general meeting.	General Meetings
47	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. The quorum for any general meeting shall be as provided in the Act.	Presence of Quorum
48	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.	Election of Chairperson
49	When the Chair is vacant, no business shall be transacted or discussed at any general meeting except the election of Chairperson	When Chair is vacant
50	If there is no such Chairperson, or if he 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.	Directors to elect a Chairperson
51	If at any meeting no director is willing to act as Chairperson or if no director is present within thirty minutes or such other extended time the Act for the time being in force may provide, after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
52	The Chairperson shall have a second or casting vote (in addition to the vote or votes to which he may be entitled as a member) on any business at any general meeting, in case of an equality of votes, whether on show of hands or electronically or on a poll.	Casting Vote of Chairperson at general meeting
	Minutes of general meetings	
53	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 in the Act / Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.	Minutes of general meeting and resolution passed by postal ballot.
54	The Chairperson of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.	Chairperson's power to exclude certain matters in the Minutes
55	The Chairperson shall exercise an absolute discretion in regard to inclusion or non-inclusion of any matter in the minutes on the grounds specified in aforesaid clause.	Discretion of Chairperson in relation to

Article No.	Article	Marginal Notes
	Adjournment of meeting	
56	(1) 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.  (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	Chairperson may adjourn the meeting  Business at adjourned meeting
	Proceedings at General Meetings	
57	(1) 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.  (2) 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.	Notice of adjourned meeting  Notice of adjourned meeting not required
	Conduct and responsibilities of shareholders attending any general meeting	
58	While attempting to exercise the rights as a shareholder, a shareholder shall keep the order and maintain the decorum of the meeting throughout the entire venue of the meeting. The Shareholders shall be duly informed by the Company about the nature of conduct expected from them during their presence at the venue of any general meeting as specified in the permission / approval received from the law enforcement authorities for convening the meeting, by conspicuously displaying at the venue of the general meeting, such terms and conditions subject to which such permission / approval is granted by the law enforcement authorities.	Conduct and responsibilities of shareholders attending any general meeting
	Voting rights	
59	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 or on electronic voting, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.	Voting on show of hands / poll
60	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. A member who has already voted electronically shall not be entitled to vote on the same business again in any other manner whether on a poll or otherwise.	Voting through electronic means
61	(1) 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.  (2) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Vote of joint-holders

Article No.	Article	Marginal Notes
62	<p>(1) If any member is a minor, the vote in respect of his shares or shares shall be by his guardian or any one of his guardians.</p> <p>(2) 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.</p>	How a minor or a member of unsound mind may vote
63	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Pending poll business may proceed
64	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.	Restriction on voting rights if calls are unpaid
65	<p>(1) 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.</p> <p>(2) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</p>	Restriction on voting rights
Proxy		
66	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or through proxy etc.
67	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.	Proxy when to be deposited
68	An instrument appointing a proxy shall be in the form as prescribed in the Act / Rules.	Form of Proxy
69	<p>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:</p> <p>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.</p>	Proxy valid notwithstanding the death of the principal.

Article No.	Article	Marginal Notes
	Board of Directors	
70	Subject to provisions of the Act, the number of Directors shall not be less than three and not more than fifteen. Provided the company appoint more than fifteen directors after passing a special resolution.	Board of Directors
71	Any director is not required to hold any qualification shares.	No share qualification
72	(1) The Board may, from time to time, appoint one of their Body as Chairperson of the Board of Directors for such period as may be considered necessary.  (2) The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.	Directors not liable to retire by rotation  Board's power to determine rotation of directors
73	If the Chairperson ceases to hold office as a Director, he shall ipso facto and immediately cease to be the Chairperson. The Director who is appointed as Chairperson as defined in Clause 72, can occupy both the position of Chairperson and Managing Director or Chief Executive Officer and such equivalent managerial position thereof, in the Company. <i>*A Director who occupies both the position as Chairperson and Managing Director or Chief Executive Officer or a Non-Executive Director who occupies the position as Chairperson shall not be subjected to retirement by rotation or taken into account in determining the rotation or retirement of Directors</i> ".	Chairperson and Managing Director or Chief Executive Officer/Chairperson
74	(1) The Board may appoint an alternate Director to act for a Director (hereinafter called the 'Original 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 the Act.  (2) An alternate Director appointed under this Article shall not hold office as such for a period longer than that permitted 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 office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of Alternate Director
75	(1) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.  (2) 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.	Appointment of Additional Director

\*Amended vide special resolution passed by the Shareholders through Postal ballot on May 2, 2018.



Article No.	Article	Marginal Notes
76	<p>(1) If the office of any director appointed by the Company in any 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.</p> <p>(2) The director 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 if it had not been vacated.</p>	Appointment of Director to fill a Casual Vacancy
77	<p>(1) The remuneration to Directors, in so far as it consists of monthly payment, shall be deemed to accrue from day-to-day.</p> <p>(2) <i>**A Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either by way of monthly, quarterly or annual payments or by way of commission at a specified percentage of the net profits of the company or partly by one way and partly by the other.</i></p>	Remuneration to Directors
78	The remuneration payable to Directors, including any Managing or Whole-time Director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act passed by the company in general meeting or through such other permitted mode under the Act.	Member's consent for remuneration
79	The fees payable to every Director including the Managing Directors, Executive Directors and Alternate Directors for attending a meeting of the Board of Directors or Committee thereof, shall be such sum as may be decided by the Board, subject to the provisions of the Act.	Sitting Fees
80	Every Director shall be entitled to be paid all traveling, hotel and other expenses properly incurred by him in attending and returning from meetings of the Board of Directors or any committee thereof or General Meetings of the Company or in connection with the business of the Company.	Expenses of Directors in connection with Board / General Meetings
81	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 or its committee* shall from time to time by resolution determine.	Execution of negotiable instruments
82	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.	Signing of Attendance
83	<p style="text-align: center;"><b>Powers of the Board</b></p> <p>The power to manage the company's business shall be vested in the Board, who may exercise all such powers, and do all such acts and things, as the company is permitted by its memorandum of association or otherwise authorised under by any law, directed or required to be exercise or done by the Company in general meeting subject to the provisions of the Act and other laws and of the memorandum and articles of association of the company. Provided no such regulation made by the Company in general meeting shall invalidate any prior act of the Board, which would otherwise have been valid if such regulation had not been made.</p>	General Powers of the Board

\*Amended vide special resolution passed by the Shareholders through Postal ballot on May 2, 2018.

Article No.	Article	Marginal Notes
84	The Board may seek approval of shareholders for any business by way of Ordinary/Special Resolutions through postal ballot after complying with requirements stipulated from time to time under the Act / Rules made thereto in addition to the mandatory business specified under such Rules.	Powers exercisable through Postal Ballot
85	The Board may appoint at any time and from time to time by a power of attorney under the Company's seal any person to be the attorney of the Company for such purpose and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board by or under these articles and for such period and subject to such conditions as the Board may from time to time think fit.	Power of attorney
86	The Board may exercise all the powers of the Company to borrow money with or without security and to mortgage or charge its undertaking(s), properties and uncalled capital and to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. Such debentures, bonds and other securities may be issued at a discount, premium or otherwise and with any privilege as to redemption, surrender, drawings or otherwise.	Borrowing Powers
87	If the Directors or any of them or any other person shall become personally liable 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 any other person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnifying Directors
88	Subject to the provisions of the Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make a special exertion for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit, which remuneration may be in form of either Salary, Commission or a lump sum and may either be in addition to or substitution of the remuneration specified in the last preceding articles.	Office or Place of Profit
Managing Director		
89	(1) The Board may, from time to time, appoint one or more of their Body to the office of Managing Director/Whole-Time-Director or Managing Directors / Whole-Time-Directors for such term and at such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another or other-wise) as they may deem fit. The Whole-Time-Directors who are in the whole-time employment in the Company shall be subject to supervision and control of the Managing Director and exercise such of the powers as vested by the Board from time to time.	Managing Director / Whole-time Director
	(2) If a Managing Director / Whole-time Director ceases to hold office as Director, he / shall <i>ipso facto</i> immediately cease to be a Managing Director / Whole-time Director.	Retirement / Cessation of Office of Director

Article No.	Article	Marginal Notes
90	The Board may, from time to time, entrust to and confer upon the Managing Director/Whole-Time-Director for the time being, such of the powers exercisable under these presents by the Board as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for, all or any of the powers of the Directors in that behalf; and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.	Delegation of Powers to Managing Director / Whole-time Director
Proceedings of the Board		
91	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.	When meeting to be convened
92	The Chairperson or any one Director with the previous consent of the Chairperson may, or the Company Secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.	Who may summon a Board meeting
93	The quorum for Board meeting shall be as provided in the Act.	Quorum for Board Meeting
94	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Act / Rules.	Participation at Board Meetings
95	(1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Decision at Board Meetings
	(2) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Casting vote of Chairperson at Board meeting
96	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.	Directors not to act when number falls below minimum
97	(1) If no Chairperson is elected pursuant to Article 72, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.	Who to preside at meetings of the Board
	(2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within thirty minutes or such other extended time the Act for the time being in force may provide after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.	Directors may elect a Chairperson
98	Subject to the provisions of the Act, the Board may delegate all or any of its powers to any Directors jointly or severally or to any one Director at its discretion.	Boards' Power to delegate powers to Committee
99	Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	Committee to conform to Board regulations

<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
100	The Participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Act / Rules.	Participation at Committee meetings
101	(1) A committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.  (2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes or such other extended time the Act for the time being in force may provide, after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Chairperson of the Committee
102	A committee may meet and adjourn as it thinks fit.	Committee to meet
103	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.	Decisions of the Committee
104	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.	Acts of Board or Committee valid notwithstanding defect of appointment
105	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, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.	Passing of resolution by circulation
	Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer	
106	Subject to the provisions of the Act,—  (a) 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;  (b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer
	Common Seal	
107	The Directors shall provide for safe custody of the seal, which shall only be used by the authority of the Directors or of a Committee of the Directors authorised by the Directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director and shall be countersigned by another Director or by any other person appointed by the Directors for the purpose.	The Seal

Article No.	Article	Marginal Notes
	Dividends	
108	The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. However, the Company may in a general meeting may declare a lesser amount of dividend.	Declaration of dividend in general meetings
109	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividends
110	(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, thinks fit.	Dividends to be paid out of profits
	(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Carry forward of Profits
111	(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.	Entitlement of dividend
	(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.	Calls in advance not entitled for dividend
	(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.	Proportionate payment of dividend
112	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.	Company's rights for deductions from dividends
113	Pursuant to the regulations relating to transmission of shares contained in these Articles, the Board may retain dividends payable on shares in respect of which any person is entitled to become a member pursuant to the transmission clause, until such person become a member in respect of such shares.	Power to retain dividends

<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
114	<p>(1) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or through electronic transfer, 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.</p> <p>(2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	Mode of remittance of dividend
115	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.	Receipt of dividend in case of joint holders
116	No dividend shall bear interest against the company.	No interest on dividend
117	Payment of dividend in the manner specified in these Articles shall be made at the risk of the person entitled to the dividend paid or to be paid. The Company shall be deemed to have made the payment and assumes a good discharge for such payment, if such payment is made as per the provisions of these Articles or any other permissible means.	Discharge to the Company
<b>Reserves</b>		
118	<p>(1) 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 equalising 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, thinks fit.</p> <p>(2) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p> <p>(3) The Board may at any time and from time to time, at their discretion take out of any Reserves and apply the money so taken out for any purpose for which it can be lawfully applied.</p>	Settings aside of Profits
<b>Accounts</b>		
119	<p>(1) 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.</p> <p>(2) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	Accounts
<b>Statutory Registers</b>		
120	The Company shall keep and maintain at its Registered Office all statutory registers, other than the Register of Members, which shall be maintained by the Registrar & Transfer Agents, for such duration as the Board may decide unless otherwise prescribed, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection between 10.30 a.m. to 1.00 p.m. on all business days, at the registered office of the company by the persons entitled thereon on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	Registers and inspection thereof



<b>Article No.</b>	<b>Article</b>	<b>Marginal Notes</b>
	<b>Indemnity and Insurance</b>	
121	<p>(1) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the company shall be indemnified by the company out of the funds of the company, to pay all costs, losses and expenses (including travelling expenses) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity.</p> <p>(2) Subject as mentioned above, every director, managing director, manager, company secretary or other officer of the company shall be indemnified against any liability by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour on in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court or the Tribunal.</p>	Directors and Officers right to indemnity
122	The company may take and maintain any insurance as the Board may think fit on behalf of its present and / or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.	Insurance
	<b>General Power</b>	
123	Wherever in the Act, Rules, Regulations, Guidelines, standards etc., by any statutory authority / body, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, Rules, Regulations, Guidelines, standards etc., without there being any specific Article in that behalf herein provided.	General Clause
	<b>Secrecy Clause</b>	
124	No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret proves or which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interests of the Company to communicate to the Public.	Secrecy

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**SCHEME OF AMALGAMATION**  
**OF**  
**SUNDRAM PRECISION COMPONENTS LIMITED**  
**(TRANSFEROR COMPANY)**  
**WITH**  
**SUNDRAM FASTENERS LIMITED**  
**(TRANSFeree COMPANY)**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS**  
**(Under Section 230 to 232 of the Companies Act, 2013)**

**PREAMBLE**

This Scheme of Amalgamation ("the Scheme") is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, between Sundram Precision Components Limited and Sundram Fasteners Limited. The Scheme is for the Amalgamation of Sundram Precision Components Limited with Sundram Fasteners Limited.

**PARTS OF THE SCHEME**

The Scheme is divided into following parts:

- (i) **Part A-** Dealing with Definitions and Share Capital;
- (ii) **Part B-** Dealing with Amalgamation of Sundram Precision Components Limited Into Sundram Fasteners Limited;
- (iii) **Part C-** Dealing with General Terms and Conditions applicable to the entire scheme.

**PART A**

**1. DEFINITIONS AND SHARE CAPITAL**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings.

- 1.1 **"Act"** means the Companies Act, 2013 and rules made thereunder (as notified from time to time) and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force;
- 1.2 **"Appointed Date"** and **"Effective Date"** means the date on which the National Company Law Tribunal, Chennai Bench sanctions the Scheme under Sections 230 to 232 of the Companies Act, 2013;
- 1.3 **"Amalgamation"** means the amalgamation of the Transferor Company with the Transferee Company as defined herein as set out in this Scheme;
- 1.4 **"Book Value"** means the value of the assets and liabilities as appearing in the balance sheet of the Transferor Company and the Transferee Company as the case may be
- 1.5 **"Board"** or **"Board of Directors"** means the Board of Directors of the Transferor Company and the Transferee Company and includes any Committee thereof;



SUNDRAM

- 1.6 **"Government" or "Semi Government" or "Local Authority"** means any applicable Central, State or Local Government, legislative body, regulatory or administrative authority, agency or commission or any Court, Tribunal, Board, Bureau, Judicial or Arbitral body having jurisdiction over the Territory of India
- 1.7 **"Scheme of Amalgamation" or "Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s), amendment(s) as may be made from time to time, with approvals and sanctions of the Tribunal and other relevant statutory/regulatory/governmental authorities, as may be required under the Act and/or under any other applicable laws and upon such sanction by the Tribunal, the Scheme shall become effective from the Appointed Date / Effective Date.;
- 1.8 **"Transferor Company"** shall mean and refer to "Sundram Precision Components Limited", (Corporate Identity Number U29130TN2004PLC054482) a company registered under the Companies Act, 1956, having its Registered Office at 98A, Dr. Radhakrishnan Salai, Mylapore, Chennai – 600004, Tamil Nadu;
- 1.9 **"Transferee Company"** shall mean and refer to "Sundram Fasteners Limited", (Corporate Identity Number L35999TN1962PLC004943) a company registered under the Indian Companies Act, 1956, having its Registered Office at 98-A, Dr.Radhakrishnan Salai, 7th Floor, Mylapore, Chennai 600004;
- 1.10 **"Tribunal"** means the National Company Law Tribunal, Chennai Bench or such other authority empowered to sanction the Scheme as per the provisions of the Act;
- 1.11 **"Undertaking"** means all respective businesses of the Transferor Companies as the case may be on a going concern basis and shall also include all the Assets, Liabilities and employees of the Transferor Companies.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act and other applicable laws, rules, regulations and bye-laws as the case may be including any statutory modification or re-enactment thereof from time to time.

## **2. DATE OF TAKING EFFECT AND OPERATIVE DATE**

- 2.1 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Tribunal shall be effective from the Appointed Date / Effective Date.

## **3. SHARE CAPITAL**

- 3.1 The Authorised, issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2018 is as under:

Particulars	Amount in Rs.
<b>Authorised Share Capital</b>	
1,25,00,000 Equity Shares of Rs. 10/- each	12,50,00,000
<b>Total</b>	<b>12,50,00,000</b>
<b>Issued, subscribed and paid-up Share Capital</b>	
70,00,000 Equity Shares of Rs. 10/- each	7,00,00,000
<b>Total</b>	<b>7,00,00,000</b>

There is no change in the capital structure of the Transferor Company from March 31, 2018 till date. As on March 31, 2018, the Transferor Company is Wholly Owned Subsidiary of Transferee Company. The entire Issued, Subscribed and paid-up share capital of the Transferor Company is held by Transferee Company.

- 3.2 The Authorised, issued, subscribed and paid-up share capital of the Transferee Company as on March 31, 2018 is as under:



Particulars	Amount in Rs.
<b>Authorised Share Capital</b>	
25,00,00,000 Equity Shares of Re. 1 each	25,00,00,000
<b>Total</b>	<b>25,00,00,000</b>
<b>Issued, subscribed and paid-up Share Capital</b>	
21,01,28,370 Equity Shares of Re. 1 each	21,01,28,370
<b>Total</b>	<b>21,01,28,370</b>

There is no change in the capital structure of the Transferee Company from March 31, 2018 till date.

- 3.3 This part of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income Tax Act, 1961 or any statutory modification or re-enactment thereof. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section, at a later date, including resulting from an amendment of law or for any other reason whatsoever upto the Effective Date, the provisions of the said Section of the Income Tax Act, 1961, or re-enactment there of shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961 or re-enactment thereof. Such modification will, however, not affect the other parts of the Scheme.

## **PART B**

### **AMALGAMATION OF TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY**

#### **4. TRANSFER OF ASSETS:**

- 4.1 Upon the coming into effect of the Scheme, that is with effect from the Appointed / Effective Date, the entire businesses and all the movable & immovable properties, Sundry Debtors, Loans and Advances, Cash and Bank Balances and Deposits with Government, Semi Government or Local Authorities, real or personal, corporeal or incorporeal, including fixed assets, capital asset, capital work-in-progress, current assets, investments of all kinds, carry interest or other benefits in any of the Investments, lease and hire purchase contracts, lending contracts, benefits of any security arrangements, rights, title, interest, quotas, benefits and advantages of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession and /or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company including all patents, trademarks, copyrights, trade names and other intellectual property rights of any nature whatsoever and licenses in respect thereof, privileges, liberties easements, advantages, exemptions, benefits, leases, leasehold rights, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, benefit of all agreements, subsidies, grants, tax credits, sales-tax, turnover tax, excise, and all other interests arising of the Transferor Company and any accretions or additions thereto after the Appointed / Effective Date (hereinafter collectively referred to as "the Assets") shall be transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company, without any further act or deed or instrument, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the said Act, so as to become as and from the Appointed / Effective Date, the estate, assets, rights, title and interests of the Transferee Company.
- 4.2 Any floating charges created by the Transferor Company in favour of their bankers on any of the movable assets, documents of title to goods, receivables, claims and other current assets that are acquired by the Transferor Company till the Appointed / Effective Date, shall be deemed to be the security and shall be available as security for the loans, cash credit and other working capital facilities, both fund based and non-fund based, which were sanctioned by the bankers of the Transferor Company, either utilised fully or partly or unutilised by the Transferor Company subject to the limits sanctioned by their respective bankers so transferred and vested in the Transferee company pursuant to the Scheme.



- 4.3 The Scheme, as aforesaid, shall be, subject to existing charges / hypothecation / mortgage (if any as may be subsisting) over or in respect of the said assets or any part thereof in favour of Banks and Financial Institutions. Provided, however, that any reference in any security documents or arrangements to which the Transferor Company is a party, to such assets of the Transferor Company offered or agreed to be offered as security for any financial assistance both availed and to be availed up to any limit for which sanctions have already been obtained by the Transferor Company shall be construed as references only to the assets pertaining to the Transferor Company as are vested in the Transferee Company by virtue of the sub-Clause 4.1 hereof, to the end and intent that such security, mortgage and or charge shall not extend or be deemed to extend, to any of the assets or to any of the other units or divisions of the Transferee Company, unless specially agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company.
- 4.4 It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual or constructive delivery and/or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of Section 230- 232 of the said Act, such transfer being deemed to have taken place at the location of the Registered Office of the Transferee Company, i.e., in the State of Tamil Nadu.
- 4.5 In respect of the assets other than those referred to above shall without any further act, instrument, deed or matter or thing be transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company on the Appointed / Effective Date pursuant to the provisions of Section 230 to 232 of the said Act. The vesting of all such assets shall be by virtue of the provisions of this Scheme and section 230 to 232 of the said Act, be deemed to have taken place at the location of the Registered Office of the Transferee Company i.e., in the State of Tamil Nadu.
- 4.6 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business, on and from the Appointed Date, shall be on account of Transferee Company and, in so far as it relates to the tax payment (including without limitation to income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Effective Date, the same shall be deemed to be the corresponding item paid by Transferee Company and, shall, in all proceedings, be dealt with accordingly.
- 4.7 Any refund under the Tax Laws received by/due to Transferor Company consequent to the assessments made on Transferor Company subsequent to the Appointed / Effective Date and for which no credit is taken in the accounts as on the date immediately preceding the Appointed / Effective Date, shall also belong to and be received by the Transferee Company.
- 4.8 Without prejudice to the generality of the above, all benefits under the income tax including dividend tax, sales tax, MAT, excise duty, customs duty, service tax, VAT, etc., to which the Transferor Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in Transferee Company.
- 4.9 The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- 4.10 Upon the coming into effect of the Scheme, the Transferee Company may, if it considers necessary or expedient, revise (with retroactive effect, if applicable), its income-tax returns, TDS returns, service tax returns, sale-tax returns and other tax returns and claim refunds and/or credits etc pertaining to business activities of the Undertaking of the Transferor Company, pursuant to the provisions of the Scheme.





## **5. TRANSFER OF DEBTS AND LIABILITIES:**

- 5.1 With effect from the Appointed / Effective Date, all debts, liabilities, loans, borrowings, bills payable, deposits, security deposits, interest accrued, duties and obligations of the Transferor Company including contingent liabilities not provided in its books and any accretions and additions or reductions thereto (hereinafter referred to as "Liabilities") after the Appointed / Effective Date shall also stand transferred or be deemed to be transferred without any further act or instrument or deed to the Transferee Company so as to become as and from that date, the debts, liabilities, loans, borrowings, bills payable, deposits, security deposits, interest accrued, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause, PROVIDED ALWAYS that nothing in this Clause shall or is intended to enlarge the security for any loan, deposit or other indebtedness created by the Transferor Company prior to the Appointed Date which shall be transferred to and vested in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be required or obliged in any manner to create any further or additional security therefore after the Appointed / Effective Date or otherwise.
- 5.2 All the loans, advances and other facilities sanctioned to the Transferor Company by their bankers prior to the Appointed / Effective Date, which are partly drawn / utilised shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn / utilised either partly or fully by the Transferor Company till the Appointed / Effective Date and all the advances / loans and or other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers) shall on the Effective Date be treated as advances and loans made available to the Transferee Company under any loan agreement and shall become the obligation of the Transferee Company without any further act, or deed on the part of the Transferee Company.
- 5.3 Upon the coming into effect of this Scheme, the limits of the Transferee Company for borrowing, lending, providing loans and advances, investments or providing guarantees or giving donations, shall without further act or deed stand enhanced by an amount equivalent to the combined authorised Limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.
- 5.4 Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/or indirect, payable by or on behalf of the Transferor Company including all or any refunds and claims, including refunds or claims pending with the Revenue Authorities and including the right to carry forward and set-off of accumulated losses under the Income-tax Act, 1961, shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims, accumulated losses and credits pertaining to indirect taxes of the Transferee Company.
- 5.5 The resolutions, if any, of the Board of Directors, or Committees thereof, Shareholders, Debenture Holders of the Transferor Company which are valid and subsisting on the Effective Date shall be continued to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable legislations then said limits shall be added and shall constitute the aggregate of the said limits of the Transferee Company.
- 5.6 The Scheme shall not in any manner affect the rights of any of the creditors of the Transferor Company except to the extent of cancellations as provided in this Scheme.
- 5.7 Upon this Scheme coming into effect, any loan or liabilities other obligations due and all the interparty transactions or commitments between or amongst the Transferor Company and the Transferee Company shall stand discharged and shall stand cancelled and there shall be no liability in that behalf.

## **6. LEGAL PROCEEDINGS**

- 6.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising relating to the Transferor Company or its properties, assets, debts, liabilities, duties and obligations referred to above, shall be continued and/or enforced until the Appointed / Effective Date as desired by the Transferee Company and as and from the Appointed / Effective Date shall be continued and enforced



by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in its name in relation to the Transferor Company in the same manner and to the same extent as would, or might, have been initiated by the Transferor Company.

## **7. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- 7.1 Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, insurance policies, incentives, licenses, approvals to do any business, engagements, registrations, exemptions, entitlements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect immediately before this arrangement under this Scheme, shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Company, the Transferee Company had been a party thereto without the requirement of obtaining or seeking consent or approval of any third party or Government, Semi Government or Local Authorities or any Department of the Government or Authorities. [The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmation or enter into any tripartite arrangement, confirmations or novations to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or become necessary].
- 7.2 As a consequence of the amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Company to the Transferee Company, whether for the purposes of any licence, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.
- 7.3 The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which any of the Transferor Company is a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company, implement or carry out all such formalities or compliances referred to above on the part of the Transferor Company, as the case may be, to be carried out or performed.
- 7.4 For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Company without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Company is a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to Appointed / Effective Date and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the Appointed / Effective Date.

## **8. EMPLOYEES**

- 8.1 Upon the Scheme becoming effective, all the employees in the service of the Transferor Company immediately before the Effective Date shall become the employees of the Transferee Company, on the basis that:
- a) Their services shall have been continuous and shall not have been interrupted by reason of such transfer.



- b) The terms and conditions of employment applicable to the said employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer;
- c) In the event of retrenchment of such employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the employees shall have been continuous and shall not have been interrupted by reason of such transfer; and
- d) In so far as the existing provident fund trusts, gratuity fund and pension and / or super-annuation fund trusts created by the Transferor Company for its employees are concerned, the part of the funds referable to the employees who are being transferred shall be continued for the benefit of the employees who are being transferred to the Transferee Company pursuant to the Scheme in the manner provided hereinafter. In the event that the Transferee Company has its own funds in respect of any of the funds referred to above, the amounts in such funds in respect of contributions pertaining to the employees of the Transferor Company shall, subject to approvals and permissions, if required, be transferred to the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own fund, in respect of any of the aforesaid matters, the Transferee Company may, subject to approvals and permissions, if required, continue to contribute to the relevant funds of the Transferor Company until such time that the Transferee Company creates its own fund, at which time the contributions pertaining to the employees of the Transferor Company shall be transferred to the funds created by the Transferee Company. Provided however that, the Transferee Company shall be at liberty to form or restructure its provident fund trusts, gratuity fund and pension and/or superannuation fund trusts in such manner as may be decided by its Board of Directors, subject to compliance of relevant labour laws and any other allied laws for the purpose.

#### **9. SAVING OF CONCLUDED TRANSACTIONS**

- 9.1 The transfer of Assets under Clause 4 above, the continuance of proceedings by or against the Transferee Company under Clause 6 above and the effectiveness of contracts and deeds under Clause 7 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Company till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

#### **10. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY TILL APPOINTED / EFFECTIVE DATE**

- 10.1 Upto and including the Appointed / Effective Date:

- a) The Transferor Company shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.
- b) All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, minimum alternate tax, tax deducted at source by or on behalf of the Transferor Company, wealth tax, sales tax, value added tax, excise duty, service tax, Goods and Service tax, customs duty, etc, accruing or arising to the Transferor Company, or losses arising or expenditure incurred by them, upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the said taxes of the Transferee Company.
- c) The Transferor Company shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any of the business undertaking or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company prior to the Appointed / Effective Date).





- d) The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require in relation to the Undertaking of the Transferor Company including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any law for time being in force for carrying on business by the Transferee Company.
- e) The Transferor Company shall not declare any dividend till the Appointed / Effective Date, without the prior written consent of the Transferee Company.
- f) The Transferor Company shall not make any modification to its capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or re-organisation or in any other manner, whatsoever, except by mutual consent of the Boards of Directors of the Transferor Company and of the Transferee Company.
- g) The Transferor Company shall not vary, except in the ordinary course of business, the terms and conditions of the employment of its employees without the consent of the Board of Directors of the Transferee Company.

## **11. CANCELLATION OF SHARES**

- 11.1 Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon the Scheme being sanctioned by the Tribunal and the transfer having been effected as provided hereinabove, all the equity shares held by the Transferee Company in the Transferor Company shall be cancelled and extinguished as on the Appointed / Effective Date. Accordingly, there will be no issue and allotment of equity shares of the Transferee Company to the Shareholders of the Transferor Company upon this Scheme becoming effective.

## **12. ACCOUNTING TREATMENT**

- 12.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation in its books as per the applicable accounting principles prescribed under Indian Accounting Standard (Ind AS) 103 and/or any other applicable Ind AS prescribed under Section 133 of Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and other generally accepted accounting principles, as applicable. It would inter alia include the following:
  - a) All the assets and liabilities recorded in the books of the Transferor Company shall be transferred to the books of the Transferee Company as per the requirements of Ind AS 103.
  - b) The identity of the reserves of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company, prior to this Scheme becoming effective.
  - c) The investments in the equity share capital of the Transferor Company as appearing in the books of accounts of the Transferee Company, shall stand cancelled.
  - d) Inter-Company balances, if any, will stand cancelled.
  - e) The difference, if any, being excess/deficit arising pursuant to the Scheme shall be accounted based on the accounting principles prescribed under Ind AS 103.



- 12.2. In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date shall be adjusted as per Ind AS 103 in the books of the Transferee Company, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

### **13. DISSOLUTION OF TRANSFEROR COMPANY**

- 13.1. Subject to an order being made by the Tribunal under Section 232 of the Act, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made there under.

## **PART C**

### **GENERAL TERMS AND CONDITIONS APPLICABLE TO THE ENTIRE SCHEME**

#### **14. APPLICATION TO THE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH**

- 14.1. The Transferor Company and the Transferee Company shall, with reasonable dispatch, apply to the Tribunal or the Central Government for necessary orders or directions for holding or dispensing with the meetings of the members (and creditors, if necessary) of the Transferor Company and the Transferee Company respectively and for sanctioning this Scheme under Sec. 230 to 232 of the Act and orders under Sec. 232 for carrying this Scheme into effect, for dissolution of the Transferor Company without winding up, for the transfer of the undertakings of the Transferor Company to the Transferee Company.

#### **15. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

- 15.1. The Transferor Company and the Transferee Company through their respective Board of Directors or other persons, duly authorised by the respective Boards in this regard, may make or assent to any alteration or modification to this Scheme or to any conditions or limitations, which the Tribunal or any other Competent Authority may deem fit to direct, approve or impose and may give such directions, as they may consider necessary, to settle any doubt, question or difficulty, arising under the scheme or in regard to its implementation or in any manner connected therewith and to do all such acts, deeds, matters and things necessary for putting this Scheme into effect.
- 15.2. After dissolution of the Transferor Company, the Transferee Company by its Board of Directors or other persons, duly authorised by its Board in this regard, shall be authorised, to take such steps, as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reasons of any order of the Tribunal or of any directive or order of any other authorities or otherwise, however, arising out of, under by virtue of this Scheme in relation to the amalgamation and / or matters concerning or connected therewith.

#### **16. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS**

- 16.1. This Scheme is conditional upon and subject to the sanction of the requisite majority of members of the Transferor Company and the Transferee Company, the approval of the Tribunal, and such other sanctions and approvals as may be required by law being obtained.



- 16.2. In the event of the scheme failing to take finality, the Scheme shall become null and void and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or their creditors or employees or any other person.
- 16.3. In the event of non-fulfilment of any or all obligations under the Scheme, by one company towards the other company inter-se, or to third parties, the non-performance of which will put the other company under any obligation, then defaulting company will indemnify all costs, interests, etc. to the other company.

**17. EXPENSES CONNECTED WITH THE SCHEME**

- 17.1. All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this scheme shall be borne and paid by the Transferee Company.

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