

The following Regulations comprised in these Articles of Association were adopted pursuant to Special Resolution passed at the Extraordinary General Meeting of the Company held on 04<sup>th</sup> June 2022 in substitution for, and to the entire exclusion of the earlier regulations comprised in the extant Articles of Association of the Company.

## THE COMPANIES ACT, 2013

### COMPANY LIMITED BY SHARES

(Incorporated under the Companies Act, 1956)

### ARTICLES OF ASSOCIATION

#### OF

### ALLIED BLENDERS AND DISTILLERS LIMITED

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The Articles of Association of the Company comprises of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency between Part A and Part B, the provisions of Part B shall prevail over Part A of these Articles, subject to applicable laws. However, Part B shall automatically terminate and cease to have any force and effect from the date of listing of Equity Shares of the Company on a recognised Stock Exchange in India, pursuant to an initial public offering (“IPO”) of the Equity Shares of the Company without any further action including any corporate action by the Company or by the shareholders.

#### PART – A

1. The regulations contained in Table F, in the Schedule I to the Companies Act, 2013 or in the Schedule, to any previous Companies Act, shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act. Table ‘F’ not to apply
2. a. The Regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration or modification or addition to its Regulations in the manner prescribed under the Companies Act, 2013, shall be such as are contained in these Articles.  
b. These Regulations shall be binding on both the Company and the Members and every Member shall be deemed to have joined the Company on the foregoing basis.
3. The marginal notes hereto shall not affect the construction hereof. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context; Interpretation
  - i. “Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any Previous Company Law, so far as may be applicable, including Rules.
  - ii. “Articles” means the Articles of Association of the Company for the time being in force or as altered from time to time.
  - iii. “Article” or “Regulation” unless the context otherwise requires, means the Article or Regulation comprised in these Articles.

- iv. **“Alter”** and **“Alteration”** shall include the making of additions, modifications, deletions and substitutions.
- v. **“Annual General Meeting”** means a General Meeting of the Members held in accordance with the provision of Section 96 of the Act.
- vi. **“Associate Company”** in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the Company having such influence and includes a joint venture company. For the purposes of this definition,
  - (a) **“significant influence”** means Control of at least twenty percent of total share capital, or of business decisions under an agreement;
  - (b) **“joint venture”** means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.
- vii. **“Auditors”** means and includes those persons appointed as such for the time being of the Company in terms of the Act.
- viii. **“Bina Chhabria Enterprises Private Limited** or **“BCEPL”** means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U45200MH2009PTC194129
- ix. **“BKC”** means Bina Kishore Chhabria (DIN: 00243376) wife of Kishore Rajaram Chhabria.
- x. BKC Enterprises Private Limited or **“BKCEPL”** means a company incorporated under the provisions of the Companies Act, 2013 having CIN: U70109MH2018PTC314612
- xi. **“Board of Directors”** or **“Board”** in relation to the Company, means the collective body of the Directors of the Company or any Committee of the Board duly constituted in terms of these Articles and the applicable provisions of the Act;
- xii. **“Body Corporate”** or **“Corporation”** includes a company incorporated outside India, but does not include—
  - a. a co-operative society registered under any law relating to co-operative societies; and
  - b. any other Body Corporate (not being a company as defined in this Act), which the Central Government may, by notification, specify in this behalf.
- xiii. **“Book and Paper”** and **“Book or Paper”** include books of account, deeds, vouchers, writings, documents, minutes and registers maintained on paper or in electronic form.
- xiv. **“Books of Accounts”** includes records maintained in respect of—
  - a. all sums of money received and expended by the Company and matters in relation to which the receipts and expenditure take place;
  - b. all sales and purchases of goods and services by the Company;
  - c. the assets and liabilities of the Company; and

- d. the items of cost as may be prescribed under Section 148 in the case of the Company which belongs to any class of companies specified under that section.
- xv. **“Capital”** means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
- xvi. **“Chairman”** or **“Chairperson”** shall mean such person as is nominated or appointed in accordance with Article 99(a) (Chairperson of the Board)) herein below.
- xvii. **“Charge”** means an interest or lien created on the property or assets of the Company or any of its undertakings or both as security and includes a mortgage
- xviii. **“Chhabria Group”** means and includes KRC, BKC, NKC, RCJH, BCEPL, OCSPL, ORPL and BKCEPL collectively, who are the “Promoters” of the Company (as defined under Regulation 2(1)(pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- xix. **“Chief Financial Officer”** means a person appointed as the Chief Financial Officer of the Company.
- xx. **“Control”** shall include the right to appoint a majority of the Directors or to control the management or policy decisions of the Company, exercisable by a person or persons acting individually or jointly or in concert, directly or indirectly, including by virtue of their shareholding or management rights or members agreements or voting agreements or in any other manner and the terms **“Controlled”** and **“Controlling”** shall be construed accordingly.
- xxi. **“Court”** means—
  - a. the High Court having jurisdiction in relation to the place at which the registered office of the Company is situate, except to the extent to which jurisdiction has been conferred on any district Court or district Courts subordinate to that High Court under (b) hereinafter;
  - b. the district court, in cases where the Central Government has, by notification, empowered any district Court to exercise all or any of the jurisdictions conferred upon the High Court, within the scope of its jurisdiction in respect of the Company whose registered office is situate in the district;
  - c. the Court of Session having jurisdiction to try any offence under this Act or under any Previous Company Law;
  - d. the Special Court established under Section 435 of the Act;
  - e. any Metropolitan Magistrate or a Judicial Magistrate of the First Class having jurisdiction to try any offence under this Act or under any Previous Company Law;
- xxii. **“Debenture”** includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a Charge on the assets of the Company or not;
- xxiii. **“Directors”** means a director appointed to the Board of the Company.
- xxiv. **“Dividend”** includes any interim Dividend.

- xxv. “**Document**” includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.
- xxvi. “**Executor**” or “**Administrator**” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under Section 31 of the Administrator General Act, 1963.
- xxvii. “**Extraordinary General Meeting**” means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.
- xxviii. “**Financial Statement**” in relation to the Company, includes—
- a. a balance sheet as at the end of the Financial Year;
  - b. a profit and loss account for the Financial Year;
  - c. cash flow statement for the Financial Year;
  - d. a statement of changes in equity, if applicable; and
  - e. any explanatory note annexed to, or forming part of, any document referred to in (a) to (d) above.
- xxix. “**Financial Year**” in relation to the Company shall mean any fiscal year of the Company beginning on 1<sup>st</sup> day of April of every calendar year and ending on the 31st day of March of the following calendar year.
- xxx. “**General Meeting**” means a meeting of Members.
- xxxi. “**In Writing**” and “**Written**” includes printing lithography and other modes of representing or reproducing words in a visible form and shall include email, and any other form of electronic transmission
- xxxii. “**Key Managerial Personnel**” means the Chief Executive Officer or the Managing Director or the Manager; the Company Secretary; Wholetime Director; Chief Financial Officer; such other Officer, not more than one level below the Directors who is in whole-time employment of the Company, designated as Key Managerial Personnel by the Board and such other Officer as may be notified from time to time in the Act and the Rules.
- xxxiii. “**KRC**” (DIN: 00243244) means Mr. Kishore Rajaram Chhabria son of Late Mr. Rajaram Chhabria.
- xxxiv. “**Legal Representative**” means a person who in law represents the estate of a deceased Member.
- xxxv. “**Manager**” means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of the Company, and includes any Director or any other person occupying the position of a Manager, by whatever name called, whether under a contract of service or not.

- xxxvi. **“Managing Director”** means a Director who, by virtue of the Articles of the Company or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of Managing Director, by whatever name called.
- xxxvii. **“Members”** means the duly registered holders, for the time being of the Shares of the Company and in case of Shares held in dematerialized form such persons whose name is entered as a beneficial owner in the records of a depository.
- xxviii. **“Month”** means a calendar month.
- xxix. **“National Holiday”** means and includes a day declared as National Holiday by the Central Government.
- xl. **“NKC” (DIN: 01498718)** means Mrs. Neesha Kishore Chhabria, daughter of Kishore Rajaram Chhabria
- li. **“Officer’s Choice Spirits Private Limited” or “OCSPL”** means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U15500MH2005PTC153854.
- lii. **“Office”** means the Registered Office for the time being of the Company.
- xlili. **“Officer”** includes any Director, Manager or Key Managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act.
- xliv. **“Ordinary Resolution”** and **“Special Resolution”** shall have the meanings assigned thereto by Section 114 of the Act.
- xlv. **“Paid-up”** in relation to shares includes credited as paid-up.
- xlvi. **“Oriental Radios Private Limited” or “ORPL”** means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U32200MH1938PTC002773
- xlvii. **“Person(s)”** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal identity).
- xlviii. **“Previous Company Law”** means the Companies Act, 1956 (1 of 1956) and any law corresponding to the said Companies Act, 1956 (1 of 1956);
- xlix. **“Proxy”** means an instrument whereby any person is authorized to vote for a member at a General Meeting or poll and includes attorney duly constituted under the power of attorney.
- l. **“RCJH” (DIN: 00030608)** means Mrs. Resham Chhabria Jeetendra Hemdev, wife of Jeetendra Hemdev
- li. **“Relative”** with reference to any person, means anyone who is related to another, if—
- a. they are members of a hindu undivided family;
  - b. they are husband and wife;
  - c. he is the father; including step-father;
  - d. she is the mother; including step-mother;

- e. he is the son including step-son;
- f. she is the son's wife;
- g. she is the daughter;
- h. he is the daughter's husband;
- i. he is the brother including step-brother;
- j. she is the sister including step-sister; or
- k. any other person as related to the other in such manner as may be prescribed under the Act;

lii. **“Related Party”**, with reference to the company, means—

- a. Director or his Relative;
- b. Key Managerial Personnel or his Relative;
- c. a firm, in which the Director, Manager or his Relative is a partner;
- d. a private company in which the Director or Manager or his Relative is a member or director;
- e. a public company in which the Director or Manager or his Relative is a director and holds along with his relatives, more than two percent of its paid-up share capital;
- f. any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of the Director or Manager;
- g. any person on whose advice, directions or instructions the Director or Manager is accustomed to act;
- h. any body corporate which is
  - A. a holding, subsidiary or an associate company of the Company.
  - B. a subsidiary of a holding company to which it is also a subsidiary or
  - C. an investing company or the venture of the Company.

Explanation:- For the purpose of this Regulation, “the investing company or the venture of the Company” means a body corporate whose investment in the Company would result in the Company becoming an associate company of the body corporate.
- i. any other person as prescribed under the Act.

liii. **“Rules”** means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

liv. **“Seal”** means the Common Seal for the time being of the Company or any other method of authentication of documents, as specified under the Act or amendment thereto.

lv. **“Secretary”** means a company secretary as defined in clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 who is appointed by the Board of Directors to perform the functions of a company secretary under this Act and is a Key Managerial Person.

lvi. **“Share”** means a share in the Share Capital of the Company and includes stock.

- lvii. **“Subsidiary”** shall have the same meaning as the term “subsidiary” as defined under Section 2(87) of the Act.
- lviii. **“The Company” or “This Company”** means Allied Blenders And Distillers Limited established as aforesaid.
- lix. **“These presents”** means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
- lx. **“The Register of Members”** means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act and can be kept anywhere in or outside India
- lxi. **“Tribunal”** means the National Company Law Tribunal constituted under Section 408 of the Act.
- lxii. **“Variation”** shall include abrogation; and “vary” shall include abrogate
- lxiii. **“Voting Right”** means the right of a Member of the Company to vote in any meeting of the Company or by means of postal ballot.
- lxiv. **“Whole-Time Director”** includes a Director in the whole-time employment of the Company;
- lxv. **“Year”** means the calendar year and

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

Unless the context otherwise requires words and expressions contained in these Articles shall bear the same meaning as in the Act.

- 4. The Company is a ‘Public Company’ within the meaning of Section 2(71) of the Act. Public company

#### **Share Capital and Debenture**

- 5. The authorized share capital of the Company shall be as mentioned at Clause V of the Memorandum of Association of the Company. Authorised Capital
- 6. 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 of Directors who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board of Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property or assets of any kind whatsoever, sold or to be sold or transferred or to be transferred or goods or machinery supplied or to be supplied or for service rendered or to be rendered or for technical assistance or know-how made or to be made available to the Company for the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call on shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. Shares under Control of the Board
- 7. The Share Capital of the Company shall be of two kinds, namely:- Kinds of Share Capital
  - a. Equity share capital

- i. with Voting Rights; or
    - ii. with differential rights as to Dividend, voting or otherwise in accordance with the Act and the Rules; and
  - b. Preference share capital.
8. Notwithstanding anything contained in these Articles but subject to the provisions of the Act and any other applicable provision of the Act or any other law for the time being in force and Rules, the Company may issue Debentures. Debenture
  9. Subject to the provisions of the Act and Rules, the Company shall have the power to issue Preference Shares which are, at the option of the Company, liable to be redeemed on or within the expiry of a period of 20 (twenty) years from the date of their issue and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption. Redeemable Preference Shares
  10. If at any time the Share Capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, 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 the shares of that class, as prescribed by the Act. Variation of Rights
  11. A certificate, issued under the Common Seal of the Company, specifying the Shares held by any Person, shall be prima facie evidence of the title of the Person to such Shares. Share Certificate
  12.
    - a. Every Person whose name is entered as a Member in the Register of Members shall be entitled to receive within two months from the date of allotment or within one month of the receipt by the Company of application for the registration of transfer or transmission or sub-division or consolidation or renewal of any of its Shares as the case may be, within such other period as the conditions of issue shall be provided:
      - i. one certificate for all his shares without payment of any charges; or
      - ii. several certificates, in marketable lots, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
    - b. Every certificate so issued shall be under the Seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon, and be in the prescribed form, duly signed by two Directors and an authorized person or Company Secretary as the case may be and shall specify the Shares to which it relates and the amount paid-up thereon.
    - c. In respect of any Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.
    - d. The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.
  13. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of



such fees (which shall not exceed the maximum amount permitted under applicable law) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Further, no fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

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

The provision of this Article shall *mutatis mutandis* apply to Debentures of the Company.

14. Except as ordered by a Court of competent jurisdiction or as by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the depository as the absolute owner thereof and accordingly shall not be bound to recognize (even when having notice thereof) any benami trust or equity, equitable, contingent, future or partial interest in any share, other claim or any interest in any fractional part of a share, or (except only as is by these Articles otherwise expressly provided or by law otherwise provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the Person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more Persons or the survivor or survivors of them. Company not bound to recognize any interest in share other than that of registered holders.
  
15. If shares are held in dematerialized mode, the record of the depository will be the prima facie evidence of the interest of the beneficial owner and the provision of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply (except where the Act otherwise requires) to issue of certificates for any other securities including Debentures of the Company.
  
16.
  - a. The Company may exercise the powers of paying commissions conferred by the Act, to any Person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules. Commission
  - b. The rate or amount of the commission shall not exceed the rate or amount as prescribed in the Rules.
  - c. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
  
17.
  - a. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered, subject to the provisions of Section 62 of the Act, and the rules made thereunder: Further issue of capital
    1. to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
      - i. The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
      - ii. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any

other person and the notice referred to in Article 17(a)(1)(i) herein shall contain a statement of this right;

- iii. After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company.
2. to employees under a scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the Rules and such conditions, as may be prescribed; or
3. to any Persons, if it is authorised by a special resolution, whether or not those Persons include the Persons referred to in Article 17(a) (1) or 17(a)(2), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed.
- b. The notice referred to in Article 17(a)(1)(i) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.
- c. Nothing contained herein shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company or to subscribe for shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.

- d. Notwithstanding anything contained in Article 17(c), where any Debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such Debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

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

- e. In determining the terms and conditions of conversion under Article 17(d) the Government shall have due regard to the financial position of the Company, the terms of issue of Debentures or loans, as the case may be, the rate of interest payable on such Debentures or loans and such other matters as it may consider necessary.
- f. Where the Government has, by an order made under Article 17(d) directed that any Debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 17(d) or where

such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorised share capital of the Company, stand altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such Debentures or loans or part thereof has been converted into.

- g. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules made thereunder.

18. a. The Company shall have a first and paramount lien- Lien

- i. 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
- ii. on all Shares (not being fully paid shares) standing registered in the name of a single Person, for all monies presently payable by him or his estate to the Company.

Provided that the Board of Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Regulation.

- b. 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.
- c. The fully paid-up Shares shall be free from all lien on any account whatsoever and in the case of partly paid up Shares the Company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such Shares.

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

Provided that no sale shall be made-

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

20. a. To give effect to any such sale, the Board may authorise some Person to transfer the shares sold to the purchaser thereof.  
b. The purchaser shall be registered as the holder of the shares comprised in any such transfer.  
c. 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.

21. a. 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.

- b. 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.

22. The provision of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including Debentures of the Company.
23. a. 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; Calls on Shares
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- b. 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.
- c. A call may be revoked or postponed at the discretion of the Board.
24. 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 installments.
25. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
26. a. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- b. The Board shall be at liberty to waive payment of any such interest wholly or in part.
27. a. 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.
- b. 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.
28. a. The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the Member paying the sum in advance.
29. The provision of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including Debentures of the Company.
30. Where two or more Persons are registered as the joint holders (not more than three) of any share they shall be deemed (so far as the Company is concerned) to hold the same as joint-holders with benefits of survivorship subject to the following and other provisions contained in these Articles: Joint Holders

- a. the joint holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
  - b. on the death of any such joint-holder the survivor or survivors shall be the only Person or Persons recognized by the Company as having any title to the share but the Directors may require such evidence of the death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint- holder from any liability in respect of the shares held by him jointly with any other person.
  - c. Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
  - d. only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any documents served on or sent to person shall be deemed service on all the joint- holders.
  - e. If more than one of such joint-holders be present at any Meeting either personally or by proxy, 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. If more than one of the said Persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
  - f. The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.
31. a. Every holder of Shares of the Company may, at any time, nominate, in the manner prescribed under the Act and the Rules, any Person to whom his shares shall vest in the event of his death.
- b. Where the shares of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Act and the Rules prescribed thereunder, any Person to whom all the rights in the securities of the Company shall vest in the event of death of all the joint holders.
- c. Notwithstanding anything contained in any other provision of law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the shares of the Company, where a nomination made in the manner prescribed under the Act and the Rules prescribed thereunder, purports to confer on any Person the right to vest the shares of the Company, the nominee shall, on the death of the holder of the shares or, as the case may be, on the death of the joint holders become entitled to all the rights in the shares of the holder or, as the case may be, of all the joint holders, in relation to such shares of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Act and the Rules prescribed thereunder.
- d. Where the nominee is a minor, the holder of the shares, can make the nomination to

Nomination of Shares and Debentures

appoint in prescribed manner under the Act and the Rules prescribed thereunder, any Person to become entitled to the securities of the Company in the event of his death, during the minority.

- e. The provision of these Articles relating to nomination shall *mutatis mutandis* apply to the other securities including Debentures of the Company.
32. Except as provided in these Articles, no Member shall sell or otherwise transfer or dispose of any shares now owned or hereafter acquired by him in the manner provided herein and unless the conditions contained in these Articles are complied with. General Restriction on Transfer
33. a. There shall be no restrictions whatsoever on the transactions in relation to shares including transfer of shares between any Members or granting of rights or creating an encumbrance on shares by one Member in favour of another Member and subject to the provisions of Section 56 of the Act and the Rules framed thereunder, and of any statutory modification thereof for the time being and the applicable SEBI Regulations shall be duly complied with in respect of all transfers of Shares and the registration thereof. A common form of transfer shall be used in case of transfer of Shares, in accordance with the Act and Rules and the Securities Contracts (Regulation) Rules, 1957, which shall be duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate or certificates relating to the shares or if no certificate is in existence, along with the letter of allotment of the shares. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and shall contain the names of and addresses of both the transferor and the transferee and the transferor shall be deemed to remain the holder of such until the name of the transferee is entered in the register in respect thereof. Each signature of such transfer shall be duly attested by the signature of one creditable witness who shall add his address and occupation. Transfer of shares
- b. The application for registration of a share or other interest of a Member in the Company may be made either by the transferor or the transferee, provided that, where such application is made by the transferor on registration shall in the case of partly paid up shares shall not be affected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 56 of the Act and the Rules framed thereunder, the Board of Directors, unless the objection is made by the transferee within two weeks from the receipt of the notice, enter in the Register of Members the name of the transferee in the manner and subject to the same conditions as if the application for registration was made by the transferee.
- c. Subject to the provisions of Section 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares of the Company.

The Board may in their absolute and uncontrolled discretion and without assigning any reason there of decline to register the transfer of a share not being fully paid share, to a person of

whom they do not approve and any transfer of shares of which the Company has a lien.

34. The Company shall have the right to refuse the transfer of shares to minors except in case of transmission. Shares held by a Minor
35. a. 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. Transmission of Shares
- b. Nothing in Article 35(a) above 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 Person(s).
36. a. 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-
- i. to be registered himself as holder of the share; or
- ii. to make such transfer of the Share as the deceased or insolvent Member could have made.
- b. 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.
37. a. If the person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Board of Directors a notice in writing signed by him stating that he so elects.
- b. If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.
- c. 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.
38. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 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.
39. If a Member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment. Forfeiture of shares
40. The notice aforesaid shall-

- a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - b. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
41. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

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

- a. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
  - b. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
43.
  - a. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
  - b. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
44.
  - a. A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the Share;
  - b. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the Share in favour of the Person to whom the share is sold or disposed of;
  - c. The transferee shall thereupon be registered as the holder of the Share; and
  - d. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the Share.
45. The provisions of these Regulations as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.



46. Subject to provisions of the Act, the Company in its General Meetings may, by an ordinary resolution- Alteration of Share Capital
- a. increase its authorised capital by such amount as it thinks expedient;
  - b. consolidate and divide all or any of its Share Capital into shares of a larger amount than its existing shares. Provided that any consolidation and division which results in changes in the voting percentage of shareholders shall require applicable approvals under the Act;
  - c. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - d. sub-divide its shares, or any of them, into shares of smaller amount than fixed by the memorandum, so, however, that in the sub- division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived, subject to provisions of the Act, Rules and of these Articles;
  - e. cancel Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled.

The cancellation of shares shall not be deemed to be a reduction of Share Capital.

47. The Company may (subject to the provisions of Sections 52, 55 and other applicable provisions, if any, of the Act or any other section as notified) from time to time by Special Resolution reduce: Reduction of Share Capital
- a. the Share Capital; or
  - b. any capital redemption reserve account; or
  - c. any security premium account

in any manner for the time being, authorized by law and in particular Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

48. a. The Company in General Meeting may, upon the recommendation of the Board, resolve- Capitalisation of Profits
- i. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - ii. that such sum be accordingly set free for distribution in the manner specified in Article 48(b) below amongst the Members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in this Article 48(b)(iv) below of this Regulation, either in or towards-

- i. paying up any amounts for the time being unpaid on any shares held by such Members respectively;
  - ii. 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;
  - iii. partly in the way specified in Article 48(b)(i) and partly in that specified in Article 48 (b)(ii);
  - iv. 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;
  - v. The Board shall give effect to the resolution passed by the Company in pursuance of this Regulation.
49. a. Whenever such a resolution as aforesaid shall have been passed, the Board shall;
- i. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - ii. generally do all acts and things required to give effect thereto.
- b. The Board shall have power;
- i. 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
  - ii. to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- c. Any agreement made under such authority shall be effective and binding on such Members.
50. Notwithstanding anything contained in these Articles but subject to the provisions of all applicable provisions of the Act or any other law for the time being in force the Company may purchase its own shares or other specified securities. Buy-back of Shares
51. Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its Shares and Debentures pursuant to the Depositories Act, 1996 and to offer its Shares and Debentures for subscription in a dematerialized form. The Company shall cause to be kept a register and index of members / beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch register of beneficial owners / Register of Members, resident in that State or Country. The Register and Index of Beneficial Owners maintained by a depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security holders for the purposes of these Articles. Dematerialisation of Shares

52. All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings. General Meetings

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. The Annual General Meeting shall be held within a period of six months, from the date of closing of the Financial Year; provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred on the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours that is, between 9 a.m. and 6 p.m. on any day that is not a National Holiday, and shall be held at the Registered Office of the Company or at some other place within the city in which the Registered Office of the Company situate, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Financial Statements, Auditors' Report (if not already incorporated in the Financial Statements), the Proxy Register with proxies and the Register of Directors' shareholding which shall remain open and accessible during the continuance of the Meeting.

53. a. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall on requisition of Member or Members holding in the aggregate not less than one-tenth of such of the paid up capital of the Company as at the date of deposit of the requisition and in compliance with Section 100 of the Act, forthwith proceed to convene Extraordinary General Meeting. Extraordinary General Meeting by Board and by requisition
- b. If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members holding not less than one-tenth of the total paid up share capital of the Company may call for an Extraordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. When a Director or any two Members may call an Extraordinary General Meeting
54. Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Registered Office; provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists. Requisition of Members to state object of Meeting
55. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the Registered Office, to cause a meeting to be called for a day not later than forty-five days from the date of deposit of the requisition, meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition. On receipt of requisition, Directors to call Meetings and in default requisitionists may do.
56. At least 21 (twenty-one) days' clear notice (either in writing or electronic mode) of every General Meeting, Annual or Extraordinary, specifying the place, date, day, hour, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such Persons, as given under the Act, entitled to receive notice from the Company. A General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95% (ninety five percent) of the Members entitled to vote at such meeting. In the case of an Annual General Meeting, if any business other than (i) the

consideration of Financial Statements and the reports of the Board of Directors and Auditors, (ii) the declaration of Dividend, (iii) the appointment of Directors in place of those retiring and (iv) the appointment of, and fixing of the remuneration of the Auditors is to be transacted, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature or concern (financial or otherwise) and extent of the interest, if any, therein of every Director, Key Managerial Personnel and their Relatives (if any). Where any item of business consists of the approval of any document the time and place where the document can be inspected shall be specified in the statement aforesaid.

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| 57. | The accidental omission to give any such notice as aforesaid to any Member, or other person to whom it should be given or the non- receipt thereof, shall not invalidate any resolution passed at any such Meeting.   | Omission to give notice not to invalidate a resolution passed. |
| 58. | No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.  | Meeting not to transact business not mentioned in notice.      |
| 59. | The quorum for a General Meeting shall be as provided in the Act. A Body Corporate being a Member shall be deemed to be personally present if represented in accordance with Section 113 of the Act.  | Quorum   |
| 60. | If, at the expiration of half an hour from the time appointed for the meeting a quorum of Members is not present, the meeting, if convened by or upon the requisition of Members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week or if that day is a National Holiday until the next succeeding day which is not a National Holiday, at the same time and place or to such other day and at such other time and place as the Board may determine; and if at such adjourned meeting a quorum of Members is not present at the expiration of half an hour from the time appointed for the meeting, the said meeting shall stand adjourned <i>sine die</i> without transacting any business for which the meeting was called. | If quorum not present, Meeting to be dissolved and adjourned   |
| 61. | The Chairperson of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairperson present within fifteen minutes of the time appointed for holding such Meeting, the Directors or Members present may elect one of the Directors so approved and present to preside at the meeting.   | Chairperson of General Meeting                                 |
| 62. | <ul style="list-style-type: none"> <li>a. 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.</li> <li>b. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</li> <li>c. 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.</li> <li>d. 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.</li> </ul> | Chairperson with consent may adjourn meeting                   |
| 63. | In the case of an equality of votes the Chairperson shall on a poll (if any) have casting vote in addition to the vote or votes to which he may be entitled as a Member.  | Chairperson's casting vote.                                    |
| 64. | If at any General Meeting of the Company, if the Chairperson is not present within fifteen minutes after the time appointed for holding the same, the Members present shall elect one of the Directors or Members present to preside at the meeting and such chairperson shall not have   | No casting vote to a person other than the Chairperson.        |

- any casting vote.
65. If a poll is demanded as aforesaid the same shall, be taken in such manner as prescribed under the Act. Poll to be taken, if demanded.
66. The demand for a poll except on the question of the election of the Chairperson and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. Demand for poll not to prevent transaction of other business.
67. No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or be reckoned in a quorum in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien. Members in arrears not to vote.
68. Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every Member present in person shall have one vote and upon a poll the Voting Right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share Capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares. Number of votes each Member entitled.
69. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian: and any such committee or guardian may, on a poll, vote by proxy; if any Member be minor, the vote in respect of his share shall be by his guardian, or any one of his guardians if more than one, to be selected in case of dispute by the Chairperson of the Meeting. How Members non-compos mentis and minor may vote.
70. On a poll taken at a meeting of the Company, a Member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. Casting of votes by a Member entitled to more than one vote.
71. a. If there be joint registered holders of any share any one of such Persons may vote at any Meeting either personally or by proxy in respect of such shares, as if he were solely entitled thereto. Votes of joint Members
- b. If more than one of such joint-holders be present at any Meeting either personally or by proxy, 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. If more than one of the said Persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.
- c. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
72. Votes may be given either personally or by attorney or by proxy or in case of a company, by a Votes may be given

- representative duly authorized as mentioned in Articles. At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, be decided on a show of hands. by proxy or by representative
73. A Body Corporate (whether a company within the meaning of the Act or not) may, if it is Member or creditor of the Company (including being a holder of debentures or any other Securities) authorize such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the Members or creditors of the Company or Debenture holders of the Company. A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the Body Corporate as if it were an individual Member, creditor or holder of Debentures of the Company. Representation of a Body Corporate.
74. A Member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any Voting Rights in respect of the moneys paid until the same would, but for this payment, become presently payable. Members paying money in advance.
75. A Member is not prohibited from exercising his Voting Rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken. Members not prohibited if share not held for any specified period.
76. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under Article 33 (Transfer of Shares) of these Articles of Association, to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. Votes in respect of shares of deceased or insolvent Members.
77. No Member shall be entitled to vote on a show of hands through Proxy unless such Member is present personally or by attorney or is a Body Corporate present by a representative duly Authorized under the provisions of the Act in which case such Members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. No votes by proxy on show of hands.
78. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. Appointment of a Proxy.
79. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarial certified copy of that power of attorney, shall be deposited at the office not less than forty-eight hours before the time for holding the Meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution. Deposit of instrument of appointment.
80. An instrument appointing a proxy shall be in the form as prescribed in the Rules made under Section 105. Form of proxy.

81. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used. Validity of votes given by proxy notwithstanding death of a Member.
82. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and every adjournment thereof or every meeting of the Company or every meeting to be held before a date not being later than twelve months from the date of the instrument specified in the instrument and every adjournment of every such meeting. Proxy either for specified meeting or for a period.
83. No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever. Time for objections to votes.
84. The Chairperson of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. Chairperson of the Meeting to be the judge of validity of any vote.
85. a. Except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Secretarial Standards on General Meetings and Meetings of Board of Directors as issued by the Institute of Company Secretaries of India (a statutory body under the Act of Parliament), the Company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned in books kept for that purpose with their pages consecutively numbered. Minutes of General Meeting and Board and Other Meeting
- b. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- c. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting or each report in such books shall be dated and signed by the Chairperson of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that chairperson within that period, by a director duly authorised by the Board for the purpose. In case of every resolution passed by postal ballot, by the Chairperson of the Board within the aforesaid period of thirty days or in the event of there being no chairperson of the Board or the death or inability of that chairperson within that period, by a director duly authorized by the Board for the purpose.
- d. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by pasting or otherwise.
- e. All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- f. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairperson of the meeting:
- i. is or could reasonably be regarded as, defamatory of any person, or

- ii. is irrelevant or immaterial to the proceedings, or
- iii. is detrimental to the interests of the Company.

The Chairperson of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

- g. Any such minutes shall be evidence of the proceedings recorded therein.
- h. The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

### Board of Directors

- 86. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than 3 (three) and not more than 15(fifteen). Provided that a Company may appoint more than 15 (fifteen) directors after passing a special resolution.
- 87. Subject to provisions of the Act and the Rules framed thereunder the Board may from time to time, appoint Managing Director / Whole-time Director / Manager for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit. Managing Director /  
Whole-time Director /  
Manager
- 88.
  - a. Subject to provisions of the Act and the Rules framed thereunder, the Board shall have power at any time, to appoint Additional Director, provided that the number of the directors and Additional Director together shall not at any time exceed the maximum strength fixed for the Board by Articles. Additional Director
  - b. Such person shall hold office only up to the date of next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to provisions of the Act, the Rules framed thereunder.
- 89.
  - a. The Board, subject to a resolution passed by the Company in general meeting may appoint a person not being a person holding any alternate Directorship for any other Director in the Company appoint an alternate director to act for a director (hereinafter called as "Original Director") during his absences 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. Alternate Director
  - b. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
  - c. If the term of office of Original Director is determined before he returns to India the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the alternate director.
- 90. Subject to Section 167 of the Act, the office of a Director shall be vacated if:
  - a. he incurs any of the disqualifications specified in Section 164 of the Act; When office of  
Directors to be  
vacated.



- b. he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- c. he acts in contravention of the provisions of Section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- d. he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184;
- e. he becomes disqualified by an order of a Court or the Tribunal;
- f. he is convicted by a Court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:

Provided that the office shall be vacated by the Director even if he has filed an appeal against the order of such Court;

- g. he is removed in pursuance of the provisions of the Act;
- h. he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

91. The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be re-appointed as a Director by the Board of Directors. Removal of Director
92. Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated. Resignation of Director
93. a. If the office of any Director appointed by the Company in its General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled the Board of Directors at its Board Meeting. Directors' power to fill casual vacancies.
- b. 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.
94. a. Until otherwise determined by the Board, each Director other than the Managing/Whole-time Director (shall be entitled to sitting fees not exceeding a sum prescribed in the Act and the Rules framed thereunder for attending meetings of the Board or Committees thereof. Sitting fees & remuneration
- b. If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration otherwise provided.

#### PROCEEDING OF THE BOARD OF DIRECTORS

95. a. The Board of Directors may meet for the conduct of business, adjourn and otherwise Meetings of

- regulate its meetings as it thinks fit. Directors.
- b. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
96. The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting. Meeting through Video Conferencing
97. Subject to provisions of Section 173(3) of the Act, notice of not less than 7 (seven) days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business. Notice of Meetings
98. a. The quorum for a meeting of the Board shall be 1/3rd (one-third) of its total strength (any fraction contained in that one third being rounded off as one), or two Directors whichever is higher and the Directors participating by video conferencing or by other permitted means shall also counted for the purposes of quorum as provided in this Article. Quorum for Meetings
- b. Provided that interested Director may participate in the board meeting, after disclosing his interest.
- c. Provided further that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time.
99. a. The members of the Board shall elect any one of them as the Chairperson of the Board. The Chairperson shall preside at all meetings of the Board and the General Meeting of the Company. The Chairperson shall have a casting vote in the event of a tie. Chairperson of the Board
- b. If at any meeting of the Board, if the Chairperson is not present within fifteen minutes after the time appointed for holding the same, the Directors present may elect one of the Directors so approved and present to preside at the meeting such chairperson shall not have any casting vote.
100. Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairperson will have a second or casting vote. Questions at Board meeting how decided.
101. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by these Articles 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. Continuing directors may act notwithstanding any vacancy in the Board
102. Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee either wholly or in part and Directors may appoint committee.

either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

103. The Meetings and proceedings of any such Committee of the Board, 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. Committees of the Board to conform to Board regulations
104. If the Chairperson of the Company or the chairperson of the committee is not present within fifteen minutes of the time appointed for holding such Meeting, the Directors or Members present may elect one of the Directors so approved and present to preside at the meeting. Chairperson of Committee Meetings
105. The Committee may meet and adjourn as it thinks fit. Questions arising at any meeting of the 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. Meetings of the Committee
106. Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Acts of Board or Committee shall be valid notwithstanding defect in appointment.
107. A resolution not being a resolution required by the said Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a committee of Directors provided that the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee as the case may be, at their addresses registered with the Company in India, by hand delivery or by post or courier or through electronic means as permissible under the relevant Rules and has been approved by a majority of the Directors as are entitled to vote on the resolution. Resolution by Circulation

#### Accounts

108. a. The Directors shall keep or cause to be kept at the Registered Office of the Company or at such place in India as the Board thinks fit proper Books of Accounts in respect of: Accounts
- b. all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;
- c. all sales and purchase of goods by the Company; and
- d. the assets and liabilities of the Company.
- e. The items of cost, if any as specified in the relevant Rules.
- f. Proper Books of Accounts shall also be kept at each branch office of the Company, whether in or outside India, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each branch office to the Company at its Registered Office of the Company or the other place referred to in Article 108(a) hereof.
- g. The Directors shall comply in all respects with Sections 128, 129, 133, 134, 136, to 138 of the said Act and any statutory modifications thereof.
109. The Directors shall, from time to time, determine whether and to what extent, and at what times Inspection to

- 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 to the Members not being Directors; and no Member (not being a Director) shall have any right of inspection of any account or book or document of the Company except as conferred by law or authorised by the Directors
- Members when allowed
110. Subject to Section 129 of the Act at every Annual General Meeting of the Company the Directors shall lay before the Company a Financial Statements for each Financial Year.
- Financial Statements to be laid before the Member
111. The Financial Statements shall give a true and fair view of the state of affairs of the Company at the end of the period of the account.
- Contents of Financial Statements
112. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.
- Financial Statements how to be signed
113. The Directors shall make and attach to every balance sheet laid before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 134 of the said Act.
114. a. A copy of every Financial Statements (including consolidated Financial Statements, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Financial Statement) which is to be laid before the Company in General Meeting shall not less than twenty one days before the date of meeting be sent to every Member, every trustee for the debenture holder of any debentures issued by the Company, to the Auditors of the Company, and every Director of the Company.
- Right of Members to copies of Financial Statements and Auditors' Report
- If the copies of the documents aforesaid are sent less than twenty-one days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by ninetyfive percent of the Members entitled to vote at the meeting.
- The accidental omission to send the documents aforesaid, to or the non-receipt of the documents aforesaid by, any Member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
- b. Any Member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Financial Statements sent to him, shall on demand, be entitled to be furnished without charge, and any person from whom the Company has accepted a sum of money by way of deposit shall on demand accompanied by the payment of a fee of fifty rupees, be entitled to be furnished with a copy of the last Financial Statements and every other documents required by law to be annexed or attached thereto.
115. a. A copy of the Financial Statement, including consolidated Financial Statement, if any, along with all the documents which are required to be or attached to such Financial Statements under this Act, duly adopted at the Annual General Meeting of the Company, shall be filed with the Registrar within thirty day's of the Annual General Meeting.
- Copy of Financial Statements etc. be filed
- b. If the Annual General Meeting before which a Financial Statement is laid as aforesaid does not adopt the Financial Statements, the un-adopted Financial Statements together with the other documents that are required to be attached to the Financial Statements shall be filed with the Registrar within thirty days of the Annual General Meeting. Thereafter, the Financial Statements adopted at the adjourned Annual General

Meeting shall be filed with the Registrar within thirty days of such adjourned Annual General Meeting.

116. Every account when audited and approved by a General Meeting shall be conclusive.

When accounts to be deemed finally settled

#### **Powers of Board**

117. Subject to the provisions of the Act and to the provisions of these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and generally do all such acts and things as are or shall be by the said Act, and the Memorandum of Association and these presents directed or authorized to be exercised, given, made or done by the Company and are not thereby or hereby expressly directed or required to be exercised, given, made or done by the Company in General Meeting but subject to such regulations (if any) being not inconsistent with the said provisions as from time to time may be prescribed by the Company in General Meeting provided that no regulation so made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made.

#### **Borrowing Powers**

- 118.
- a. Subject to the provisions of Sections 73, 179 and 180 of the Act and the other applicable provisions of these Articles, any funds required by the Company for its working capital and other capital funding requirements shall be made in the form of demand loans, and / or guarantees to be provided by the Company, as decided by the Board of Directors
  - b. Subject to Sections 73, 179 and 180 of the Act, the Board may from time to time at their discretion raise and borrow and may themselves lend and secure the payment of any sum or sums of money for the purpose of the Company.
  - c. The Board may raise or secure the repayment of such sum or sums in the manner and upon such terms and conditions in all respects as they deem fit and particularly by creation of any mortgage or charge on the undertaking of the whole or any part of the property, or future, or uncalled Capital of the Company or by the issue of bonds, redeemable debentures or debentures or debenture-stock of the Company charged upon all or any part of the property of the Company both present and future including its uncalled Capital for the time being.
  - d. Debentures, debenture-stock, bond or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
  - e. Any Debentures, debenture-stock, bond or other securities may be issued at discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings and allotment of shares.

#### **The Seal**

- 119.
- a. The Board shall provide for the safe custody of the seal.
  - b. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of a Director and the secretary or such other person as the Board may appoint for the purpose; and such Director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. In absence of the Director of the Company, the seal of the Company shall be affixed by at least two authorised officers of the Company

authorized in that behalf and such authorised officers shall sign every instrument to which the seal of the Company is so affixed in their presence.

### **Dividend and Reserve**

- 120.
- a. The Company in General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board but the Company in General Meeting may declare a lesser Dividend.
  - b. Subject to the provisions of the Section 123, 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.
  - c. The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing Dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
  - d. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
  - e. 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.
  - f. 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, including to confer a right to dividend or to participate in profits.
  - g. 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.
  - h. 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.
  - i. Any Dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct.
  - j. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
  - k. 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.

- l. Notice of any Dividend that may have been declared shall be given to the Persons entitled to share therein in the manner mentioned in the Act.
- m. No Dividend shall bear interest against the Company.

## 121. **Dividend Distribution Policy**

### **Preamble**

This Dividend Distribution Policy is made pursuant to the applicable provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the '**Listing Regulations**'). The Board of Directors of Allied Blenders and Distillers Private Limited (the "**Company**"), herein after referred as "the Board", has approved the Dividend Distribution Policy of the Company ("**the Policy**") and shall disclose the same on a voluntary basis in the annual reports and on the website of the Company. This Policy sets out the general parameters adopted by the Company for declaration of dividend for guidance purposes.

### **Objective**

The Company aimed at maximization of shareholders' value and believes that this can be attained by driving growth. The Policy endeavors to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs. The objective of the Policy is to lay down a consistent approach to dividend declaration.

### **Effective Date**

Dividend Distribution Policy shall be effective from the date of its approval by the Board of Directors.

### **Policy Framework**

The Policy has been formulated in line with the provisions of the Companies Act, 2013, Regulations issued by SEBI and other guidelines, to the extent applicable on the Company. Any subsequent amendments in these provisions would, ipso-facto, apply to this Policy. The Policy is not an alternative to the decision taken by the Board regarding declaration/recommendation of dividend after considering the various relevant factors.

### **Dividend**

Dividend is the amount paid by the Company out of profits, to its Shareholders in proportion to the amount paid up on the shares held by the shareholders. As per the provisions of the Companies Act, 2013, the dividend can be paid as interim or final.

### **Interim Dividend**

- (a) The Board of Directors of the Company shall declare the interim dividend during the financial year, as and when they consider it fit to so declare.
- (b) The interim dividend can be declared by the Board of Directors one or more times in a financial year and normally, the Board may consider the declaration of interim dividend after the finalization of the quarterly/half yearly financial statements of the Company.
- (c) The interim dividend, if declared, shall be paid to the eligible shareholders, as per

provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable. First interim dividend, if any, may be declared in the Board Meeting convened for approving financial statements for the 2<sup>nd</sup> quarter/half – year, and 2<sup>nd</sup> interim dividend, if any, may be declared at the time of approving financial statements for the 3<sup>rd</sup> quarter of the financial year.

- (d) In case no final dividend is declared by the Company, interim dividend paid during the financial year, if any, shall be considered as final dividend at the Annual General Meeting of the Company.

#### **Final Dividend**

- (a) The final dividend, if any, is paid once in a financial year after the preparation of the annual financial statements.
- (b) The Board of Directors shall recommend the final dividend to the Shareholders for their approval in the Annual General Meeting of the Company. The declaration of final dividend, if any, shall be included in the ordinary business items to be transacted at the Annual General Meeting of the Company.
- (c) The final dividend shall be paid to the eligible shareholder's subject as per provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable.

#### **Circumstances under which the Shareholders of the Company may or may not expect dividend**

The decision regarding dividend payout is a vital decision, as it determines the amount of the profit to be distributed among its shareholders and the amount of the profit to be retained in business for the future growth and modernization expansion plan of the Company. The Company would continue to adopt a progressive and dynamic dividend distribution policy to ensure its immediate and long term requirements along with rewarding the Shareholders of the Company. Dividend for the financial year shall be decided/recommended by the Board, considering, statutory, economic, market, industry, external and internal factors.

The Company may not declare dividend or declare dividend at a lower rate under the following circumstances:

- (a) in the event of the Company making losses or the profits are inadequate;
- (b) where the Company is having requirement of funds for Capex requiring high capital allocation, working capital, repayment of loans taken in the past;
- (c) inadequate availability of cash; and
- (d) higher cost of raising funds from alternate sources

It may be noted that declaration of dividend shall be subject to the provisions of Companies Act, 2013, SEBI Regulations.

#### **Parameters for Dividend Distribution**

- The Company has only one class of shares i.e. Equity shares and, hence, the parameters disclosed here under apply to the same.
- The Board while considering payment of dividend for a financial year may, *inter alia*, consider the following factors:
  - All carried over previous year's losses and depreciation not provided in previous year or years are set off against profit of the Company of the Current year;



- Current year's depreciation charge has been duly provided for and there is balance in the Profit and Loss account after providing for past accumulated losses and current year depreciation and depreciation of previous periods;
- Amounts transferred to reserves as may be stipulated;
- Compliance with FEMA Regulations and Rules prescribed from time to time by Reserve Bank of India for payment of dividend to Non Residents;
- Unpaid dividend, if any, shall be transferred to Investor Education and Protection Fund as per the provisions of the Companies Act, 2013;
- Profit for the financial year as well as general reserves of the Company.
- Projections of future profits and cash flows;
- Borrowing levels and the capacity to borrow including repayment commitments;
- Present and future Capital expenditure plans of the Company including organic/inorganic growth avenues;
- Applicable taxes including tax on dividend;
- Compliance with the provisions of the Companies Act or any other statutory guidelines including guidelines issued by Government of India;
- Past dividend trend for the Company and the industry;
- State of economy and capital markets; and
- Any other applicable laws and regulations in this respect.
- Any other factor as may be deemed fit by the Board.

#### **Other important internal and external factors to be considered by the Board**

In addition to the aforesaid parameters such as realized profits and proposed major capital expenditures, the decision of dividend payout or retention of profits shall also be based on the following factors/ parameters:

- 1 **Cash flow** – If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board will consider the same before its decision whether to declare dividend or retain its profits.
- 2 **Cost of borrowings** – The Board will analyze the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from external sources such as bankers, lending institutions or by issuance of debt securities or plough back its own funds.
- 3 **Taxation and other regulatory concern** - Dividend distribution tax or any tax deduction at source as required by tax regulations in India, as may be applicable at the time of declaration of dividend and its impact on the finances of the Company.
- 4 **Macroeconomic conditions** - Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.
- 5 **Past performance/ Dividend history and reputation of the Company** - The standing of the Company in the business space, its dividend payment history and the impact of the decision on overall reputation of the Company.

- 6 Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

### **Dividend Payout Ratio**

Dividend for every financial year shall be decided and recommended by Board considering various statutory requirements, financial performance of the company and other internal and external factors enumerated earlier in the policy. The Board of directors shall endeavor to maintain the Dividend Payout Ratio\* (Dividend/ Net Profit after Tax for the year) as near as possible to 50% or more of the Company's consolidated profit after tax or more, subject to the following

- Company's need for Capital for its growth plan
  - Positive Cash Flow
- (\* to be reviewed every 2 to 3 years, if need be)

### **General**

- In the event of the Policy being inconsistent with any new regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this policy and the policy shall be construed to be amended accordingly from the effective date of such provision.

The Company reserves its right to alter, modify, add, delete or amend any or all of the provisions of the Policy as it may deem fit or in accordance with the guidelines and regulations as may be issued by Securities and Exchange Board of India, Government of India or any other regulatory authority. The change in the policy shall, however, be disclosed along with the justification thereof on the Company's website and in the ensuing annual report of the Company in accordance with the extant regulatory provisions.

122.

### **Winding up**

Subject to the provisions of Chapter XX of the Act and rules made thereunder—

- a. If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- b. For the purpose aforesaid, the liquidator may set such value as he deems fair upon a property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

### **Indemnity**

123. Every Officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the Court or the Tribunal.
124. 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.

125. a. No shareholder shall be entitled to visit or inspect any works of the Company without the permission of the Board of Directors of the Company or any other person authorised on that behalf by the Board of Directors of the Company, to require discovery of any details in relation to the Company's business which is or may be in the nature of a trade secret, confidential information or any other matter which may relate to the conduct of the business of the Company which in the opinion of the Board of Directors of the Company would be inexpedient in the interest of the Company to disclose. Secrecy
- b. Every Director, Manager, Auditor, trustee, member of a committee, Officer, servant and accountant or other persons employed in the business of the Company shall before entering upon his duty sign a declaration, pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with the individual and in matter relating thereto and shall by such declaration pledge himself not to release any of the matters may come to his knowledge in the course of his duties except when required so to do by the Directors or by any meeting or a court of law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained or by the Act or any other law.
126. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. General powers

## PART –B

1. The regulations contained in Table F, in the Schedule I to the Companies Act, 2013 or in the Schedule, to any previous Companies Act, shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act. Table 'F' not to apply
2.
  - a. The Regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration or modification or addition to its Regulations in the manner prescribed under the Companies Act, 2013, shall be such as are contained in these Articles.
  - b. These Regulations shall be binding on both the Company and the Members and every Member shall be deemed to have joined the Company on the foregoing basis.
3. The marginal notes hereto shall not affect the construction hereof. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context; Interpretation
  - i. **“Act”** means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any Previous Company Law, so far as may be applicable, including Rules.
  - ii. **“Articles”** means the Articles of Association of the Company for the time being in force or as altered from time to time.
  - iii. **“Article” or “Regulation”** unless the context otherwise requires, means the Article or Regulation comprised in these Articles.
  - iv. **“Alter” and “Alteration”** shall include the making of additions, modifications, deletions and substitutions.
  - v. **“Annual General Meeting”** means a General Meeting of the Members held in accordance with the provision of Section 96 of the Act.
  - vi. **“Associate Company”** in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the Company having such influence and includes a joint venture company. For the purposes of this definition,
    - (a) “significant influence” means Control of at least twenty percent of total share capital, or of business decisions under an agreement;
    - (b) “joint venture” means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.
  - vii. **“Auditors”** means and includes those persons appointed as such for the time being of the Company in terms of the Act.
  - viii. **“Bina Chhabria Enterprises Private Limited or “BCEPL”** means a company

incorporated under the provisions of the Companies Act, 1956 having CIN: U45200MH2009PTC194129

- ix. **“BKC”** means Bina Kishore Chhabria (DIN: 00243376) wife of Kishore Rajaram Chhabria who shall be the Co-Chairperson of the Company.
- x. BKC Enterprises Private Limited or **“BKCEPL”** means a company incorporated under the provisions of the Companies Act, 2013 having CIN: U70109MH2018PTC314612
- xi. **“Board of Directors”** or **“Board”** in relation to the Company, means the collective body of the Directors of the Company or any Committee of the Board duly constituted in terms of these Articles and the applicable provisions of the Act;
- xii. **“Body Corporate”** or **“Corporation”** includes a company incorporated outside India, but does not include—
  - a. a co-operative society registered under any law relating to co-operative societies; and
  - b. any other Body Corporate (not being a company as defined in this Act), which the Central Government may, by notification, specify in this behalf.
- xiii. **“Book and Paper”** and **“Book or Paper”** include books of account, deeds, vouchers, writings, documents, minutes and registers maintained on paper or in electronic form.
- xiv. **“Books of Accounts”** includes records maintained in respect of—
  - a. all sums of money received and expended by the Company and matters in relation to which the receipts and expenditure take place;
  - b. all sales and purchases of goods and services by the Company;
  - c. the assets and liabilities of the Company; and
  - d. the items of cost as may be prescribed under Section 148 in the case of the Company which belongs to any class of companies specified under that section.
- xv. **“Capital”** means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
- xvi. **“Charge”** means an interest or lien created on the property or assets of the Company or any of its undertakings or both as security and includes a mortgage
- xvii. **“Promoters”** means and includes KRC, BKC, NKC, RCJH, BCEPL, OCSPL, ORPL and BKCEPL collectively and **Promoter** means any one of them. The term **“Promoter”** also includes any Family Trust and / or Privileged Relation who may acquire or be gifted or bequeathed Shares from the Promoters. For the purposes of this definition the expression **“Family Trust”** and **“Privileged Relation”** shall have the following meaning;
  - a. **“Family Trust”** means a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) under which the only

Persons being (or capable of being) beneficiaries are the individual beneficial owners of the Shares held in trust and/or his/or her Privileged Relations, and no power of Control over the voting powers conferred by such Shares is exercisable at any time by or subject to the consent of any person other than the trustees as trustees or such individual beneficial owner or his or her Privileged Relations.

- xviii. **“Privileged Relation”** means in relation to any Promoter (being an individual), the Promoter’s spouse, for the time being, and all lineal descendants of that Promoter (including for this purpose any step-child, adopted child of the Promoter or his/her lineal descendants) or any person who for the time being is married to any such lineal descendant but no lineal descendant may be a Privileged Relation whilst a minor.
- xix. **“Chief Financial Officer”** means a person appointed as the Chief Financial Officer of the Company.
- xx. **“Control”** shall mean the power to direct the management or policies of a Person, whether through the ownership of over fifty percent (50%) of the total voting power of such Person, through the power to appoint over half of the members of the Board of Directors or similar governing body of such Person, through contractual arrangements or otherwise;
- xxi. **“Court”** means—
- a. the High Court having jurisdiction in relation to the place at which the registered office of the Company is situate, except to the extent to which jurisdiction has been conferred on any district Court or district Courts subordinate to that High Court under (b) hereinafter;
  - b. the district court, in cases where the Central Government has, by notification, empowered any district Court to exercise all or any of the jurisdictions conferred upon the High Court, within the scope of its jurisdiction in respect of the Company whose registered office is situate in the district;
  - c. the Court of Session having jurisdiction to try any offence under this Act or under any Previous Company Law;
  - d. the Special Court established under Section 435 of the Act;
  - e. any Metropolitan Magistrate or a Judicial Magistrate of the First Class having jurisdiction to try any offence under this Act or under any Previous Company Law;
- xxii. **“Debenture”** includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a Charge on the assets of the Company or not;
- xxiii. **“Directors”** means a director appointed to the Board of the Company.
- xxiv. **“Dividend”** includes any interim Dividend.
- xxv. **“Document”** includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.

- xxvi. **“Executor”** or **“Administrator”** means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under Section 31 of the Administrator General Act, 1963.
- xxvii. **“Extraordinary General Meeting”** means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.
- xxviii. **“Financial Statement”** in relation to the Company, includes—
- a. a balance sheet as at the end of the Financial Year;
  - b. a profit and loss account for the Financial Year;
  - c. cash flow statement for the Financial Year;
  - d. a statement of changes in equity, if applicable; and
  - e. any explanatory note annexed to, or forming part of, any document referred to in (a) to (d) above.
- xxix. **“Financial Year”** in relation to the Company shall mean any fiscal year of the Company beginning on 1<sup>st</sup> day of April of every calendar year and ending on the 31<sup>st</sup> day of March of the following calendar year.
- xxx. **“General Meeting”** means a meeting of Members.
- xxxi. **“In Writing”** and **“Written”** includes printing lithography and other modes of representing or reproducing words in a visible form and shall include email, and any other form of electronic transmission.
- xxxii. **“Key Managerial Personnel”** means the Chief Executive Officer or the Managing Director or the Manager; the Company Secretary; Wholetime Director; Chief Financial Officer; such other Officer, not more than one level below the Directors who is in whole-time employment of the Company, designated as Key Managerial Personnel by the Board and such other Officer as may be notified from time to time in the Act and the Rules.
- xxiii. **“KRC” (DIN: 00243244)** means Mr. Kishore Rajaram Chhabria son of Late Mr. Rajaram Chhabria who shall be the permanent Chairman of the Company.
- xxxiv. **“Legal Representative”** means a person who in law represents the estate of a deceased Member.
- xxv. **“Manager”** means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of the Company, and includes any Director or any other person occupying the position of a Manager, by whatever name called, whether under a contract of service or not.
- xxxvi. **“Managing Director”** means a Director who, by virtue of the Articles of the Company or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of

the Company and includes a Director occupying the position of Managing Director, by whatever name called.

- xxxvii. **“Members”** means the duly registered holders, for the time being of the Shares of the Company and in case of Shares held in dematerialized form such persons whose name is entered as a beneficial owner in the records of a depository.
- xxviii. **“Month”** means a calendar month.
- xxix. **“National Holiday”** means and includes a day declared as National Holiday by the Central Government.
- xl. **“NKC” (DIN: 01498718)** means Mrs. Neesha Kishore Chhabria, daughter of Kishore Rajaram Chhabria
- li. **“Officer’s Choice Spirits Private Limited” or “OCSPL”** means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U15500MH2005PTC153854.
- lii. **“Office”** means the Registered Office for the time being of the Company.
- xliii. **“Officer”** includes any Director, Manager or Key Managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act.
- xliv. **“Ordinary Resolution”** and **“Special Resolution”** shall have the meanings assigned thereto by Section 114 of the Act.
- xlv. **“Paid-up”** in relation to shares includes credited as paid-up.
- xlvi. **“Oriental Radios Private Limited” or “ORPL”** means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U32200MH1938PTC002773
- xlvii. **“Person(s)”** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal identity).
- xlviii. **“Previous Company Law”** means the Companies Act, 1956 (1 of 1956) and any law corresponding to the said Companies Act, 1956 (1 of 1956);
- xlix. **“Proxy”** means an instrument whereby any person is authorized to vote for a member at a General Meeting or poll and includes attorney duly constituted under the power of attorney.
- l. **“RCJH” (DIN: 00030608)** means Mrs. Resham Chhabria Jeetendra Hemdev, wife of Jeetendra Hemdev
- li. **“Relative”** with reference to any person, means anyone who is related to another, if—
- a. they are members of a hindu undivided family;



- b. they are husband and wife;
- c. he is the father; including step-father;
- d. she is the mother; including step-mother;
- e. he is the son including step-son;
- f. she is the son's wife;
- g. she is the daughter;
- h. he is the daughter's husband;
- i. he is the brother including step-brother;
- j. she is the sister including step-sister; or
- k. any other person as related to the other in such manner as may be prescribed under the Act;

lii. **“Related Party”**, with reference to the company, means—

- a. Director or his Relative;
- b. Key Managerial Personnel or his Relative;
- c. a firm, in which the Director, Manager or his Relative is a partner;
- d. a private company in which the Director or Manager or his Relative is a member or director;
- e. a public company in which the Director or Manager or his Relative is a director and holds along with his relatives, more than two percent of its paid-up share capital;
- f. any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of the Director or Manager;
- g. any person on whose advice, directions or instructions the Director or Manager is accustomed to act;
- h. any body corporate which is
  - A. a holding, subsidiary or an associate company of the Company.
  - B. a subsidiary of a holding company to which it is also a subsidiary or
  - C. an investing company or the venture of the Company.

Explanation:- For the purpose of this Regulation, “the investing company or the venture of the Company” means a body corporate whose investment in the Company would result in the Company becoming an associate company of the body corporate.
- i. any other person as prescribed under the Act.

liii. **“Reserved Matters”** means matters specified in Article 120 hereof.

liv. **“Rules”** means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

lv. **“Seal”** means the Common Seal for the time being of the Company or any other method of authentication of documents, as specified under the Act or amendment thereto.

- lvi. **“Secretary”** means a company secretary as defined in clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 who is appointed by the Board of Directors to perform the functions of a company secretary under this Act and is a Key Managerial Person.
- lvii. **“Share”** means a share in the Share Capital of the Company and includes stock.
- lviii. **“Subsidiary”** shall have the same meaning as the term “subsidiary” as defined under Section 2(87) of the Act.
- lix. **“The Company” or “This Company”** means Allied Blenders And Distillers Limited established as aforesaid.
- lx. **“These presents”** means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
- lxi. **“The Register of Members”** means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act and can be kept anywhere in or outside India
- lxii. **“Tribunal”** means the National Company Law Tribunal constituted under Section 408 of the Act.
- lxiii. **“Variation”** shall include abrogation; and “vary” shall include abrogate
- lxiv. **“Voting Right”** means the right of a Member of the Company to vote in any meeting of the Company or by means of postal ballot.
- lxv. **“Whole-Time Director”** includes a Director in the whole-time employment of the Company;
- lxvi. **“Year”** means the calendar year and

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

Unless the context otherwise requires words and expressions contained in these Articles shall bear the same meaning as in the Act.

- 4. a. The Company is a ‘Public Company’ within the meaning of Section 2(71) of the Act. Public company
- b. The use of the name **“ALLIED BLENDERS AND DISTILLERS”** or its logo and/or marks as a part of the corporate name of the Company or the trade name of the Company or as a part of its logo or marks or its letterhead stylings or stationery or stationery stylings or packing stylings or any hybrid variation thereof or any other use thereof shall cease to be so used, if at any time the Equity Shareholding of the Promoter(s) falls below 51% of the shareholding of the Company, and in which event Promoter(s) will be entitled by a written notice to the Company to call upon the Company to discontinue use of the word **“ALLIED BLENDERS AND DISTILLERS”** or its logo and /or marks in any form or manner as a part of the Company’s corporate name or trade name and to change its name in such a manner as to delete the word **“ALLIED BLENDERS AND DISTILLERS”** or its logo and/or marks as appearing in the name of the Company and the Company shall within 90 days from the date of receipt of such notice:

- i. discontinue the use of the word “**ALLIED BLENDERS AND DISTILLERS**” or its logo and/or marks as part of its corporate name and/or as the trade name.
  - ii. take all steps as may be necessary for the purpose of changing its corporate name as aforesaid.
  - iii. undertake at all times that the Company’s corporate name shall not comprise of any word or expression or logo similar to the word “**ALLIED BLENDERS AND DISTILLERS**” or its logo and/or marks.
- c. The shareholders shall at all times exercise their Voting Rights to carry out the provision of this Article.
- d. Without prejudice to any provisions contained in the Act, (including Sections 47 and 50(2) of the Act), the shareholders further agree of their own free will and volition that they shall at all times exercise their Voting Rights to vote in favour of all resolutions required to be passed to change the name and discontinue the use of the words “**ALLIED BLENDERS AND DISTILLERS**” as provided by this Article.

#### **Share Capital and Debenture**

- 5. The authorized share capital of the Company shall be as mentioned at Clause V of the Memorandum of Association of the Company. Authorised Capital
- 6. 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 of Directors who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board of Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property or assets of any kind whatsoever, sold or to be sold or transferred or to be transferred or goods or machinery supplied or to be supplied or for service rendered or to be rendered or for technical assistance or know-how made or to be made available to the Company for the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call on shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. Shares under Control of the Board
- 7. The Share Capital of the Company shall be of two kinds, namely:- Kinds of Share Capital
  - a. Equity share capital
    - i. with Voting Rights; or
    - ii. with differential rights as to Dividend, voting or otherwise in accordance with the Act and the Rules; and
  - b. Preference share capital.
- 8. Notwithstanding anything contained in these Articles but subject to the provisions of the Act and any other applicable provision of the Act or any other law for the time being in force and Rules, the Company may issue Debentures. Debenture

9. Subject to the provisions of the Act and Rules, the Company shall have the power to issue Redeemable Preference Shares which are, at the option of the Company, liable to be redeemed on or within the expiry of a period of 20 (twenty) years from the date of their issue and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption. Redeemable Preference Shares
10. If at any time the Share Capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, 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 the shares of that class, as prescribed by the Act. Variation of Rights
11. A certificate, issued under the Common Seal of the Company, specifying the Shares held by any Person, shall be prima facie evidence of the title of the Person to such Shares. Share Certificate
12. a. Every Person whose name is entered as a Member in the Register of Members shall be entitled to receive within two months from the date of allotment or within one month of the receipt by the Company of application for the registration of transfer or transmission or sub-division or consolidation or renewal of any of its Shares as the case may be, within such other period as the conditions of issue shall be provided:
- i. one certificate for all his shares without payment of any charges; or
  - ii. several certificates, in marketable lots, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- b. Every certificate so issued shall be under the Seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon, and be in the prescribed form, duly signed by two Directors and an authorized person or Company Secretary as the case may be and shall specify the Shares to which it relates and the amount paid-up thereon.
- c. In respect of any Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.
- d. The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.
13. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (which shall not exceed the maximum amount permitted under applicable law) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Further, no fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the Rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable

thereof in this behalf.

The provision of this Article shall *mutatis mutandis* apply to Debentures of the Company.

14. Except as ordered by a Court of competent jurisdiction or as by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the depository as the absolute owner thereof and accordingly shall not be bound to recognize (even when having notice thereof) any benami trust or equity, equitable, contingent, future or partial interest in any share, other claim or any interest in any fractional part of a share, or (except only as is by these Articles otherwise expressly provided or by law otherwise provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the Person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more Persons or the survivor or survivors of them. Company not bound to recognize any interest in share other than that of registered holders.
15. If shares are held in dematerialized mode, the record of the depository will be the prima facie evidence of the interest of the beneficial owner and the provision of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply (except where the Act otherwise requires) to issue of certificates for any other securities including Debentures of the Company.
16. Commission
- a. The Company may exercise the powers of paying commissions conferred by the Act, to any Person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.
  - b. The rate or amount of the commission shall not exceed the rate or amount as prescribed in the Rules.
  - c. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
17. Further issue of capital
- a. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered, subject to the provisions of Section 62 of the Act, and the rules made thereunder:
    - 1. to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
      - i. The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
      - ii. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in Article 17(a)(1)(i) herein shall contain a statement of this right;
      - iii. After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company.

2. to employees under a scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the Rules and such conditions, as may be prescribed; or
3. to any Persons, if it is authorised by a special resolution, whether or not those Persons include the Persons referred to in Article 17(a)(1) or 17(a)(2), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed.

b. The notice referred to in Article 17(a)(1)(i) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.

c. Nothing contained herein shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company or to subscribe for shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.

d. Notwithstanding anything contained in Article 17(c), where any Debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such Debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

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

e. In determining the terms and conditions of conversion under Article 17(d) the Government shall have due regard to the financial position of the Company, the terms of issue of Debentures or loans, as the case may be, the rate of interest payable on such Debentures or loans and such other matters as it may consider necessary.

f. Where the Government has, by an order made under Article 17(d) directed that any Debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 17(d) or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorised share capital of the Company, stand altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such Debentures or loans or part thereof has been converted into.

g. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules made thereunder.

18. a. The Company shall have a first and paramount lien- Lien
- i. 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
  - ii. on all Shares (not being fully paid shares) standing registered in the name of a single Person, for all monies presently payable by him or his estate to the Company.
- Provided that the Board of Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Regulation.
- b. 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.
  - c. The fully paid-up Shares shall be free from all lien on any account whatsoever and in the case of partly paid up Shares the Company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such Shares.
19. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:
- Provided that no sale shall be made-
- a. unless a sum in respect of which the lien exists is presently payable; or
  - b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the Person entitled thereto by reason of his death or insolvency.
20. a. To give effect to any such sale, the Board may authorise some Person to transfer the shares sold to the purchaser thereof.
- b. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
  - c. 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.
21. a. 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.
- b. 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.
22. The provision of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including Debentures of the Company.
23. a. 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; Calls on Shares

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

- b. 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.
  - c. A call may be revoked or postponed at the discretion of the Board.
24. 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 installments.
25. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
26. a. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- b. The Board shall be at liberty to waive payment of any such interest wholly or in part.
27. a. 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.
- b. 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.
28. a. The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the Member paying the sum in advance.
29. The provision of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including Debentures of the Company.
30. Where two or more Persons are registered as the joint holders (not more than three) of any share they shall be deemed (so far as the Company is concerned) to hold the same as joint-holders with benefits of survivorship subject to the following and other provisions contained in these Articles:
- a. the joint holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
  - b. on the death of any such joint-holder the survivor or survivors shall be the only Person

Joint Holders



or Persons recognized by the Company as having any title to the share but the Directors may require such evidence of the death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint- holder from any liability in respect of the shares held by him jointly with any other person.

- c. Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
  - d. only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any documents served on or sent to person shall be deemed service on all the joint- holders.
  - e. If more than one of such joint-holders be present at any Meeting either personally or by proxy, 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. If more than one of the said Persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
  - f. The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.
31. a. Every holder of Shares of the Company may, at any time, nominate, in the manner prescribed under the Act and the Rules, any Person to whom his shares shall vest in the event of his death. Nomination of Shares and Debentures
- b. Where the shares of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Act and the Rules prescribed thereunder, any Person to whom all the rights in the securities of the Company shall vest in the event of death of all the joint holders.
  - c. Notwithstanding anything contained in any other provision of law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the shares of the Company, where a nomination made in the manner prescribed under the Act and the Rules prescribed thereunder, purports to confer on any Person the right to vest the shares of the Company, the nominee shall, on the death of the holder of the shares or, as the case may be, on the death of the joint holders become entitled to all the rights in the shares of the holder or, as the case may be, of all the joint holders, in relation to such shares of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Act and the Rules prescribed thereunder.
  - d. Where the nominee is a minor, the holder of the shares, can make the nomination to appoint in prescribed manner under the Act and the Rules prescribed thereunder, any Person to become entitled to the securities of the Company in the event of his death, during the minority.
  - e. The provision of these Articles relating to nomination shall *mutatis mutandis* apply to the other securities including Debentures of the Company.

32. Except as provided in these Articles, no Member shall sell or otherwise transfer or dispose of any shares now owned or hereafter acquired by him in the manner provided herein and unless the conditions contained in these Articles are complied with. General Restriction on Transfer
33. a. There shall be no restrictions whatsoever on the transactions in relation to shares including transfer of shares between any Members or granting of rights or creating an encumbrance on shares by one Member in favour of another Member and subject to the provisions of Section 56 of the Act and the Rules framed thereunder.. A common form of transfer shall be used in case of transfer of Shares, in accordance with the Act and Rules and the Securities Contracts (Regulation) Rules, 1957, which shall be duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate or certificates relating to the shares or if no certificate is in existence, along with the letter of allotment of the shares. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and shall contain the names of and addresses of both the transferor and the transferee and the transferor shall be deemed to remain the holder of such until the name of the transferee is entered in the register in respect thereof. Each signature of such transfer shall be duly attested by the signature of one creditable witness who shall add his address and occupation. Transfer of shares
- b. The application for registration of a share or other interest of a Member in the Company may be made either by the transferor or the transferee, provided that, where such application is made by the transferor on registration shall in the case of partly paid up shares shall not be affected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 56 of the Act and the Rules framed thereunder, the Board of Directors, unless the objection is made by the transferee within two weeks from the receipt of the notice, enter in the Register of Members the name of the transferee in the manner and subject to the same conditions as if the application for registration was made by the transferee.
- c. Subject to the provisions of Section 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares of the Company.
34. a. The Board may in their absolute and uncontrolled discretion and without assigning any reason there of decline to register the transfer of a share not being fully paid share, to a person of whom they do not approve and any transfer of shares of which the Company has a lien. Restriction on transfer of shares by any Member(s) to a Non-Member
- b. No transfer or disposal of legal or beneficial interest in the shares of the Company by any Shareholder shall be made without the prior written consent of Promoter (s).
- c. Any transfer, except if effected in accordance with what is stated herein, will be void and

of no effect.

- d. If the Promoter(s) agree(s), in writing to transfer and/or sell any shares of the Company the same shall be effected only to such person(s) and at such price as are acceptable to the Promoter(s) and as per the procedure otherwise laid down in Article 34(f).
  - e. Notwithstanding what is stated in Article 34(d), No Member shall transfer, sell, assign, pledge, encumber or otherwise dispose of shares of the Company to a person who is not a Member of the Company except as provided in Article 34(f).
  - f. If a Member (hereinafter called ‘the Seller’) desires to transfer, sell or assign all or a portion of his Shares in the Company, he shall first offer to sell such Shares (the “Offer Shares”) to the Promoter(s) or other Members as follows:
    - (i) The Seller shall issue a written notice (“Notice for Sale”) to the Board of Directors of the Company signifying his intent to sell the shares and specifying the number of shares for sale.
    - (ii) Within 10 (ten) days of receipt of Notice for Sale, the Board of Directors shall request the registered valuer as defined under the provision of the Act or Independent Chartered Accountant or the Auditor of the Company (‘Valuer’)to undertake a fair valuation of Offer Shares and issue a fair valuation report within a period of 30 (thirty) days. The Valuer shall have regard to the multiple valuation, using methods as permitted by Statutes for determining the fair value Within 15 (fifteen) days from the date of receipt of valuation report, the Company shall issue a written notice (“Notice of Offer”) to each of the Promoter(s) or the Members as the case may be indicating the number of Offer Shares and the fair value as determined by the Auditors.
    - (iii) Within 30 (thirty) days from the date of receipt of the Notice of Offer, any Promoter(s) or the Members as the case may be may issue a written notice to Board of Directors and to the Seller (“Notice to Purchase”) to purchase the Offer Shares at a price which is equal to or higher than the fair value indicated by the Auditor.
    - (iv) If there are multiple Notices of Purchase, the Seller shall have the right to give a preference. In case no such preference is issued by the Seller, the Board of Directors shall have the right to determine the purchaser.
    - (v) Once the purchaser is finalized in terms of this Article, the necessary transfer deeds shall be executed by the selling and purchasing Promoter(s) or the Members as the case may be and submitted to the Board which shall be approved by the Board.
    - (vi) In case no Notice of Purchase is received by the Board within 45 (forty five) days from the issue of Notice of Offer, the Seller shall be free (for a period of 90 (ninety) days from the 46th (forty sixth) day of the issue of Notice of Offer) to sell the Offer to Shares to any third party, acceptable to the Promoters, at a price which is higher than fair value.
    - (vii) In case no sale is consummated within such period of 90 (ninety) days, the Seller would be required to re-issue the Notice for Sale and repeat the process.
35. Except as provided in Article 34, no Member shall transfer by gift, pledge, charge, grant options over or otherwise encumber any of his Shares or the beneficial interest in any of his Shares of the Company now owned or hereafter acquired by him without first giving a notice in writing to the Board of Directors and each of the other Members including the Promoters. The written notice shall contain the terms of the transfer / encumbrance (including the number of Shares to
- Restriction on Transfer by Gift or Pledge etc.

be transferred/ encumbered, the nature of the transfer/encumbrance and the name of the proposed transferee), and the Board of Directors shall notify such Member(s) and the Promoters of its approval or disapproval within thirty (30) days of its receipt of such notice. If the Board of Directors and the Promoters fail to act within such thirty day period, the Board of Directors and the Promoters shall be deemed to have consented to the proposed transfer by gift/encumbrance.

36. The Company shall have the right to refuse the transfer of shares to minors except in case of transmission. Shares held by a Minor
37. a. 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. Transmission of Shares
- b. Nothing in Article 37(a) above 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 Person(s).
38. a. 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-
- i. to be registered himself as holder of the share; or
- ii. to make such transfer of the Share as the deceased or insolvent Member could have made.
- b. 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.
39. a. If the person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Board of Directors a notice in writing signed by him stating that he so elects.
- b. If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.
- c. 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.
40. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 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.

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

42. The notice aforesaid shall-

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

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

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

44.
  - a. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
  - b. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
45.
  - a. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
  - b. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
46.
  - a. A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the Share;
  - b. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the Share in favour of the Person to whom the share is sold or disposed of;

- c. The transferee shall thereupon be registered as the holder of the Share; and
  - d. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the Share.
47. The provisions of these Regulations as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
48. Subject to provisions of the Act, the Company in its General Meetings may, by an ordinary resolution- Alteration of Share Capital
- a. increase its authorised capital by such amount as it thinks expedient;
  - b. consolidate and divide all or any of its Share Capital into shares of a larger amount than its existing shares. Provided that any consolidation and division which results in changes in the voting percentage of shareholders shall require applicable approvals under the Act;
  - c. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - d. sub-divide its shares, or any of them, into shares of smaller amount than fixed by the memorandum, so, however, that in the sub- division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived, subject to provisions of the Act, Rules and of these Articles;
  - e. cancel Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled.
- The cancellation of shares shall not be deemed to be a reduction of Share Capital.
49. The Company may (subject to the provisions of Sections 52, 55 and other applicable provisions, if any, of the Act or any other section as notified) from time to time by Special Resolution reduce: Reduction of Share Capital
- a. the Share Capital; or
  - b. any capital redemption reserve account; or
  - c. any security premium account
- in any manner for the time being, authorized by law and in particular Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.
50. a. The Company in General Meeting may, upon the recommendation of the Board, resolve- Capitalisation of Profits
- i. that it is desirable to capitalize any part of the amount for the time being

standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

- ii. that such sum be accordingly set free for distribution in the manner specified in Article 50(b) below amongst the Members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in this Article 50(b)(iv) below of this Regulation, either in or towards-
- i. paying up any amounts for the time being unpaid on any shares held by such Members respectively;
  - ii. 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;
  - iii. partly in the way specified in Article 50(b)(i) and partly in that specified in Article 50 (b)(ii);
  - iv. 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;
  - v. The Board shall give effect to the resolution passed by the Company in pursuance of this Regulation.
51. a. Whenever such a resolution as aforesaid shall have been passed, the Board shall;
- i. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - ii. generally do all acts and things required to give effect thereto.
- b. The Board shall have power;
- i. 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
  - ii. to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- c. Any agreement made under such authority shall be effective and binding on such Members.
52. Notwithstanding anything contained in these Articles but subject to the provisions of all applicable provisions of the Act or any other law for the time being in force the Company may Buy-back of Shares

purchase its own shares or other specified securities.

53. Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its Shares and Debentures pursuant to the Depositories Act, 1996 and to offer its Shares and Debentures for subscription in a dematerialized form. The Company shall cause to be kept a register and index of members / beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch register of beneficial owners / Register of Members, resident in that State or Country. The Register and Index of Beneficial Owners maintained by a depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security holders for the purposes of these Articles. Dematerialisation of Shares

54. All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings. General Meetings

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. The Annual General Meeting shall be held within a period of six months, from the date of closing of the Financial Year; provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred on the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours that is, between 9 a.m. and 6 p.m. on any day that is not a National Holiday, and shall be held at the Registered Office of the Company or at some other place within the city in which the Registered Office of the Company situate, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Financial Statements, Auditors' Report (if not already incorporated in the Financial Statements), the Proxy Register with proxies and the Register of Directors' shareholding which shall remain open and accessible during the continuance of the Meeting.

55. a. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall on requisition of Member or Members holding in the aggregate not less than one-tenth of such of the paid up capital of the Company as at the date of deposit of the requisition and in compliance with Section 100 of the Act, forthwith proceed to convene Extraordinary General Meeting. Extraordinary General Meeting by Board and by requisition
- b. If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members which shall include the Promoter(s) of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extraordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. When a Director or any two Members may call an Extraordinary General Meeting

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



each signed by one or more requisitionists.

57. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the Registered Office, to cause a meeting to be called for a day not later than forty-five days from the date of deposit of the requisition, meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition. On receipt of requisition, Directors to call Meetings and in default requisitionists may do.
58. At least 21 (twenty-one) days' clear notice (either in writing or electronic mode) of every General Meeting, Annual or Extraordinary, specifying the place, date, day, hour, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such Persons, as given under the Act, entitled to receive notice from the Company. A General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95% (ninety five percent) of the Members including the Promoter(s) entitled to vote at such meeting. In the case of an Annual General Meeting, if any business other than (i) the consideration of Financial Statements and the reports of the Board of Directors and Auditors, (ii) the declaration of Dividend, (iii) the appointment of Directors in place of those retiring and (iv) the appointment of, and fixing of the remuneration of the Auditors is to be transacted, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature or concern (financial or otherwise) and extent of the interest, if any, therein of every Director, Key Managerial Personnel and their Relatives (if any). Where any item of business consists of the approval of any document the time and place where the document can be inspected shall be specified in the statement aforesaid. Notice of meeting
59. The accidental omission to give any such notice as aforesaid to any Member, or other person to whom it should be given or the non- receipt thereof, shall not invalidate any resolution passed at any such Meeting. Omission to give notice not to invalidate a resolution passed.
60. No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened. Meeting not to transact business not mentioned in notice.
61. The quorum for a General Meeting shall be 5(five) Members personally present including the presence of 2(two) Promoter(s). No business shall be transacted at any General Meeting, unless 5(five) Members including 2(two) Promoter(s) are personally present. A Body Corporate being a Member shall be deemed to be personally present if represented in accordance with Section 113 of the Act. Quorum
62. If, at the expiration of half an hour from the time appointed for the meeting a quorum of Members is not present, the meeting, if convened by or upon the requisition of Members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week or if that day is a National Holiday until the next succeeding day which is not a National Holiday, at the same time and place or to such other day and at such other time and place as the Board may determine; and if at such adjourned meeting a quorum of Members is not present at the expiration of half an hour from the time appointed for the meeting, the said meeting shall stand adjourned *sine die* without transacting any business for which the meeting was called. If quorum not present, Meeting to be dissolved and adjourned

63. The Chairperson of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairperson present within fifteen minutes of the time appointed for holding such Meeting, the Members present shall elect one of the Directors or Members present, who shall be nominated by KRC or BKC in writing, to preside at the meeting and such chairperson shall not have any casting vote. Chairperson of General Meeting
64. a. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting including the Promoter(s) adjourn the meeting from time to time and from place to place. Chairperson with consent may adjourn meeting
- b. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- c. 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.
- d. 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.
65. In the case of an equality of votes the Chairperson shall on a poll (if any) have casting vote in addition to the vote or votes to which he may be entitled as a Member. Chairperson's casting vote.
66. If at any General Meeting of the Company, if either KRC or BKC is not present within fifteen minutes after the time appointed for holding the same, the Members present shall elect one of the Directors or Members present, who shall be nominated by KRC or BKC in writing, to preside at the meeting and such chairperson shall not have any casting vote. No casting vote to a person other than the Chairperson.
67. If a poll is demanded as aforesaid the same shall, be taken in such manner as prescribed under the Act. Poll to be taken, if demanded.
68. The demand for a poll except on the question of the election of the Chairperson and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. Demand for poll not to prevent transaction of other business.
69. No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or be reckoned in a quorum in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien. Members in arrears not to vote.
70. Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every Member present in person shall have one vote and upon a poll the Voting Right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share Capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares. Number of votes each Member entitled.
71. A Member of unsound mind, or in respect of whom an order has been made by any Court having How Members non-

- jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian: and any such committee or guardian may, on a poll, vote by proxy; if any Member be minor, the vote in respect of his share shall be by his guardian, or any one of his guardians if more than one, to be selected in case of dispute by the Chairperson of the Meeting. compos mentis and minor may vote.
72. On a poll taken at a meeting of the Company, a Member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. Casting of votes by a Member entitled to more than one vote.
73. a. If there be joint registered holders of any share any one of such Persons may vote at any Meeting either personally or by proxy in respect of such shares, as if he were solely entitled thereto. Votes of joint Members
- b. If more than one of such joint-holders be present at any Meeting either personally or by proxy, 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. If more than one of the said Persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.
- c. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
74. Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly authorized as mentioned in Articles. At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, be decided on a show of hands. Votes may be given by proxy or by representative
75. A Body Corporate (whether a company within the meaning of the Act or not) may, if it is Member or creditor of the Company (including being a holder of debentures or any other Securities) authorize such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the Members or creditors of the Company or Debenture holders of the Company. A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the Body Corporate as if it were an individual Member, creditor or holder of Debentures of the Company. Representation of a Body Corporate.
76. A Member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any Voting Rights in respect of the moneys paid until the same would, but for this payment, become presently payable. Members paying money in advance.
77. A Member is not prohibited from exercising his Voting Rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken. Members not prohibited if share not held for any specified period.
78. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under Article 33 (Transfer of Shares) of these Articles of Association, to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors

may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

79. No Member shall be entitled to vote on a show of hands through Proxy unless such Member is present personally or by attorney or is a Body Corporate present by a representative duly Authorized under the provisions of the Act in which case such Members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. No votes by proxy on show of hands.
80. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. Appointment of a Proxy.
81. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarial certified copy of that power of attorney, shall be deposited at the office not less than forty-eight hours before the time for holding the Meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution. Deposit of instrument of appointment.
82. An instrument appointing a proxy shall be in the form as prescribed in the Rules made under Section 105. Form of proxy.
83. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used. Validity of votes given by proxy notwithstanding death of a Member.
84. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and every adjournment thereof or every meeting of the Company or every meeting to be held before a date not being later than twelve months from the date of the instrument specified in the instrument and every adjournment of every such meeting. Proxy either for specified meeting or for a period.
85. No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever. Time for objections to votes.
86. The Chairperson of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. Chairperson of the Meeting to be the judge of validity of any vote.
87. a. Except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Secretarial Standards on General Meetings and Meetings of Board of Directors as issued by the Institute of Company Secretaries of India (a Minutes of General Meeting and Board and Other Meeting

statutory body under the Act of Parliament), the Company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned in books kept for that purpose with their pages consecutively numbered.

- b. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- c. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting or each report in such books shall be dated and signed by the Chairperson of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that chairperson within that period, by a director duly authorised by the Board for the purpose. In case of every resolution passed by postal ballot, by the Chairperson of the Board within the aforesaid period of thirty days or in the event of there being no chairperson of the Board or the death or inability of that chairperson within that period, by a director duly authorized by the Board for the purpose.
- d. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by pasting or otherwise.
- e. All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- f. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairperson of the meeting:
  - i. is or could reasonably be regarded as, defamatory of any person, or
  - ii. is irrelevant or immaterial to the proceedings, or
  - iii. is detrimental to the interests of the Company.

The Chairperson of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

- g. Any such minutes shall be evidence of the proceedings recorded therein.
- h. The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

#### **Board of Directors**

88. a. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than 3 (three) and not more than 15(fifteen). Provided that a Company may appoint more than 15 (fifteen) directors after passing a special resolution.
- b. Unless otherwise required by the applicable provisions of the Act, notwithstanding what is stated hereinabove, the Promoter(s), subject to the provisions of Article 101, shall be entitled to appoint and nominate all the Directors other than Independent Directors to the Board. Except the Promoter(s), any Director(s) so appointed shall retire annually and seek reappointment at the Annual General Meeting of the Company and in terms of the provisions of Section 152 of the Act, such appointment will take effect upon the necessary resolution being passed at the Annual General Meeting.
89. Subject to provisions of the Act and the Rules framed thereunder and the approval of the Promoter(s) the Board may from time to time, appoint Managing Director / Whole-time Director / Manager for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit. Managing Director /  
Whole-time Director /  
Manager
90. a. Subject to provisions of the Act and the Rules framed thereunder and the approval of the Promoter(s), the Board shall have power at any time, to appoint Additional Director, provided that the number of the directors and Additional Director together shall not at any time exceed the maximum strength fixed for the Board by Articles. Additional Director
- b. Such person shall hold office only up to the date of next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to provisions of the Act, the Rules framed thereunder.
91. a. The Board, subject to the approval of the Promoter(s), or a resolution passed by the Company in general meeting, subject to the approval of the Promoter(s), may appoint a person not being a person holding any alternate Directorship for any other Director in the Company appoint an alternate director to act for a director (hereinafter called as “Original Director”) during his absences 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. Alternate Director
- b. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
- c. If the term of office of Original Director is determined before he returns to India the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the alternate director.
92. Subject to Section 167 of the Act, the office of a Director shall be vacated if: When office of  
Directors to be  
vacated.
- a. he incurs any of the disqualifications specified in Section 164 of the Act;
- b. he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- c. he acts in contravention of the provisions of Section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;

- d. he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184;
- e. he becomes disqualified by an order of a Court or the Tribunal;
- f. he is convicted by a Court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:

Provided that the office shall be vacated by the Director even if he has filed an appeal against the order of such Court;

- g. he is removed in pursuance of the provisions of the Act;
- h. he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.
- i. he, having been appointed as a nominee Directors by the Promoter(s), upon receipt of notice by the Board from the Promoter(s), informing the Board of the withdrawal of his nomination by Promoter(s).

- 93. The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be re-appointed as a Director by the Board of Directors. Removal of Director
- 94. Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated. Resignation of Director
- 95.
  - a. If the office of any Director appointed by the Company in its General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, subject to the approval of the Promoter(s), be filled the Board of Directors at its Board Meeting. Directors' power to fill casual vacancies.
  - b. 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.
- 96.
  - a. Until otherwise determined by the Board, each Director other than the Managing/Whole-time Director (shall be entitled to sitting fees not exceeding a sum prescribed in the Act and the Rules framed thereunder for attending meetings of the Board or Committees thereof. Sitting fees & remuneration
  - b. If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration otherwise provided.

**PROCEEDING OF THE BOARD OF DIRECTORS**

- 97.
  - a. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. Meetings of Directors.

- b. A Director or Promoter may, and the Secretary on the requisition of a Director or Promoter shall, at any time, summon a meeting of the Board.
98. The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting. Meeting through Video Conferencing
99. Subject to provisions of Section 173(3) of the Act, notice of not less than 7 (seven) days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business. Notice of Meetings
100. a. The quorum for a meeting of the Board shall be 1/3rd (one-third) of its total strength (any fraction contained in that one third being rounded off as one), or two Directors whichever is higher which shall include the Promoter(s) and the Directors participating by video conferencing or by other permitted means shall also counted for the purposes of quorum as provided in this Article. Quorum for Meetings
- b. Provided that interested Director may participate in the board meeting, after disclosing his interest.
- c. Provided further that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time.
- d. Provided lastly that if for any reason the Promoter(s) are unable to attend the Board Meeting, the quorum shall be said to be constituted without their presence if the Promoter(s) give their written consent that the proceedings of the said Board Meeting can be held without their presence.
101. a. In the event of KRC resigning as the Chairperson of the Company or in the event of the death of KRC, his wife BKC, Director of the Company shall be the Chairperson of the Company during her lifetime or until she resigns of her own accord. Save and except as provided hereinabove, the Chairman and all the members of the Board of the Company shall only and always be nominated by the Promoters. All the shareholders of the Company and the Board of Directors shall pass all necessary resolutions to give effect to such nomination as and when made by the Promoters. Chairperson
- b. If at any meeting of the Board, if either KRC or BKC is not present within fifteen minutes after the time appointed for holding the same, the Directors present shall elect one of the Directors present, who shall be nominated by KRC or BKC in writing, to preside at the meeting and such chairperson shall not have any casting vote.
102. Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairperson will have a second or casting vote. Questions at Board meeting how decided.
103. 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 these Articles for a meeting of Continuing directors may act



- 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. notwithstanding any vacancy in the Board
104. Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member(s) as it thinks fit, including member(s) nominated by KRC and/or BKC and it may from time to time revoke and discharge any such Committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Directors may appoint committee.
105. The Meetings and proceedings of any such Committee of the Board 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. Committees of the Board to conform to Board regulations
106. a. Unless otherwise required under the Act, KRC or BKC or a Director nominated as such by KRC or BKC shall be the Chairperson of Committee Meetings. Chairperson of Committee Meetings
- b. If there be no such Chairperson present within fifteen minutes of the time appointed for holding such Meeting subject to prior written approval of KRC or BKC, the Directors or Members present may elect one of the Directors so approved and present to preside at the meeting.
107. The Committee may meet and adjourn as it thinks fit. Questions arising at any meeting of the Committee shall be determined by a majority of votes of the members present including the Promoter(s) and in case of an equality of votes, the Chairperson shall have a second or casting vote. Meetings of the Committee
108. Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Acts of Board or Committee shall be valid notwithstanding defect in appointment.
109. A resolution not being a resolution required by the said Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a committee of Directors provided that the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee as the case may be, at their addresses registered with the Company in India, by hand delivery or by post or courier or through electronic means as permissible under the relevant Rules and has been approved by a majority of the Directors including the Promoter(s) as are entitled to vote on the resolution. Resolution by Circulation

#### **Accounts**

110. a. The Directors shall keep or cause to be kept at the Registered Office of the Company or at such place in India as the Board thinks fit proper Books of Accounts in respect of: Accounts
- b. all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;

- c. all sales and purchase of goods by the Company; and
  - d. the assets and liabilities of the Company.
  - e. The items of cost, if any as specified in the relevant Rules.
  - f. Proper Books of Accounts shall also be kept at each branch office of the Company, whether in or outside India, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each branch office to the Company at its Registered Office of the Company or the other place referred to in Article 110(a) hereof.
  - g. The Directors shall comply in all respects with Sections 128, 129, 133, 134, 136, to 138 of the said Act and any statutory modifications thereof.
111. The Directors 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 to the Members not being Directors; and no Member (not being a Director) shall have any right of inspection of any account or book or document of the Company except as conferred by law or authorised by the Directors
- Inspection to  
Members when  
allowed
112. Subject to Section 129 of the Act at every Annual General Meeting of the Company the Directors shall lay before the Company a Financial Statements for each Financial Year.
- Financial  
Statements to  
be laid before the  
Member
113. The Financial Statements shall give a true and fair view of the state of affairs of the Company at the end of the period of the account.
- Contents of Financial  
Statements
114. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.
- Financial Statements  
how to be signed
115. The Directors shall make and attach to every balance sheet laid before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 134 of the said Act.
116. a. A copy of every Financial Statements (including consolidated Financial Statements, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Financial Statement) which is to be laid before the Company in General Meeting shall not less than twenty one days before the date of meeting be sent to every Member, every trustee for the debenture holder of any debentures issued by the Company, to the Auditors of the Company, and every Director of the Company. If the copies of the documents aforesaid are sent less than twenty-one days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by ninety five percent of the Members entitled to vote at the meeting. The accidental omission to send the documents aforesaid, to or the non-receipt of the documents aforesaid by, any Member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
- Right of Members to  
copies of Financial  
Statements and  
Auditors' Report
- b. Any Member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Financial Statements sent to him, shall on demand, be entitled to be furnished without charge, and any person from whom the Company has

accepted a sum of money by way of deposit shall on demand accompanied by the payment of a fee of fifty rupees, be entitled to be furnished with a copy of the last Financial Statements and every other documents required by law to be annexed or attached thereto.

117. a. A copy of the Financial Statement, including consolidated Financial Statement, if any, along with all the documents which are required to be or attached to such Financial Statements under this Act, duly adopted at the Annual General Meeting of the Company, shall be filed with the Registrar within thirty day's of the Annual General Meeting. Copy of Financial Statements etc. be filed
- b. If the Annual General Meeting before which a Financial Statement is laid as aforesaid does not adopt the Financial Statements, the un-adopted Financial Statements together with the other documents that are required to be attached to the Financial Statements shall be filed with the Registrar within thirty days of the Annual General Meeting. Thereafter, the Financial Statements adopted at the adjourned Annual General Meeting shall be filed with the Registrar within thirty days of such adjourned Annual General Meeting.
118. Every account when audited and approved by a General Meeting shall be conclusive. When accounts to be deemed finally settled

#### **Powers of Board**

119. Subject to the provisions of the Act and to the provisions of these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and generally do all such acts and things as are or shall be by the said Act, and the Memorandum of Association and these presents directed or authorized to be exercised, given, made or done by the Company and are not thereby or hereby expressly directed or required to be exercised, given, made or done by the Company in General Meeting but subject to such regulations (if any) being not inconsistent with the said provisions as from time to time may be prescribed by the Company in General Meeting provided that no regulation so made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made.
120. Notwithstanding anything contained in the Articles, no action or decision relating to any of the Reserved Matters whether by the Board, any Committee, the Shareholders of the Company, its Subsidiaries, or any of the employees, officers or managers of the Company without an affirmative vote of Promoter(s) in any General Meeting of shareholders and/or the consent of all the Promoter(s) as the case may be at the Meeting of Board or Committee thereof as the case may be. The Reserved Matters shall comprise of following: Reserved matters
- i. Any amendment to the Memorandum or Articles of Association of the Company in any manner.
  - ii. Deciding on the conversion, merger, restatement and spin-off of the Company, its dissolution and liquidation (and cease of the liquidation status), election and dismissal of the liquidators and approval of their accounts.
  - iii. Appointment, re-appointment, removal of statutory auditor/cost auditor/ internal auditor/secretarial auditor.
  - iv. Sale, disposal off any undertaking of the Company.
  - v. Disinvestment of shares of any subsidiary.
  - vi. Change of situation of the Registered office of the Company outside the State of

Maharashtra.

- vii. Any recapitalisation, any change in the authorised or issued share capital of the Company, whether by way of a issue of shares, buy-back of shares otherwise than the Shares held by the Promoter(s) or reduction of capital.
- viii. Any dissolution, winding up or liquidation of the Company and/or its subsidiaries (including taking any steps or passing any resolution towards the same).
- ix. Commencing any other business other than the existing business.
- x. Appointment, renewal, termination, powers, roles and responsibilities and variation in terms and conditions of Managing Director and Whole Time Director.
- xi. Borrowing money in excess of paid-up share capital and free reserves of the Company.
- xii. To authorize the execution of any agreements or commitments that may be considered not part of the regular course of the Company's business.
- xiii. To prepare and/or to approve the participation of the managers, employees and service renderers of the Company in its profits and also the granting of any bonuses and or incentives to such persons, including by stock option plans.

#### **Borrowing Powers**

- 121. a. Subject to the provisions of Sections 73, 179 and 180 of the Act and the other applicable provisions of these Articles, any funds required by the Company for its working capital and other capital funding requirements shall be made in the form of demand loans, and / or guarantees to be provided by the Company, as decided by the Board of Directors
- b. Subject to Sections 73, 179 and 180 of the Act, the Board may from time to time at their discretion raise and borrow and may themselves lend and secure the payment of any sum or sums of money for the purpose of the Company.
- c. The Board may raise or secure the repayment of such sum or sums in the manner and upon such terms and conditions in all respects as they deem fit and particularly by creation of any mortgage or charge on the undertaking of the whole or any part of the property, or future, or uncalled Capital of the Company or by the issue of bonds, redeemable debentures or debentures or debenture-stock of the Company charged upon all or any part of the property of the Company both present and future including its uncalled Capital for the time being.
- d. Debentures, debenture-stock, bond or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
- e. Any Debentures, debenture-stock, bond or other securities may be issued at discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings and allotment of shares.

#### **The Seal**

- 122. a. The Board shall provide for the safe custody of the seal.

- b. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of a Director and the secretary or such other person as the Board may appoint for the purpose; and such Director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. In absence of the Director of the Company, the seal of the Company shall be affixed by at least two authorised officers of the Company authorized in that behalf and such authorised officers shall sign every instrument to which the seal of the Company is so affixed in their presence.

#### **Dividend and Reserve**

- 123. a. The Company in General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board but the Company in General Meeting may declare a lesser Dividend.
- b. Subject to the provisions of the Section 123, 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.
- c. The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing Dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- d. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- e. 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.
- f. 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, including to confer a right to dividend or to participate in profits.
- g. 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.
- h. 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.
- i. Any Dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to

such person and to such address as the holder or joint holders may in writing direct.

- j. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- k. 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.
- l. Notice of any Dividend that may have been declared shall be given to the Persons entitled to share therein in the manner mentioned in the Act.
- m. No Dividend shall bear interest against the Company.

124.

### **Dividend Distribution Policy**

#### **Preamble**

This Dividend Distribution Policy is made pursuant to the applicable provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the '**Listing Regulations**'). The Board of Directors of Allied Blenders and Distillers Private Limited (the "**Company**"), herein after referred as "the Board", has approved the Dividend Distribution Policy of the Company ("**the Policy**") and shall disclose the same on a voluntary basis in the annual reports and on the website of the Company. This Policy sets out the general parameters adopted by the Company for declaration of dividend for guidance purposes.

#### **Objective**

The Company aimed at maximization of shareholders' value and believes that this can be attained by driving growth. The Policy endeavors to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs. The objective of the Policy is to lay down a consistent approach to dividend declaration.

#### **Effective Date**

Dividend Distribution Policy shall be effective from the date of its approval by the Board of Directors.

#### **Policy Framework**

The Policy has been formulated in line with the provisions of the Companies Act, 2013, Regulations issued by SEBI and other guidelines, to the extent applicable on the Company. Any subsequent amendments in these provisions would, ipso-facto, apply to this Policy. The Policy is not an alternative to the decision taken by the Board regarding declaration/recommendation of dividend after considering the various relevant factors.

#### **Dividend**

Dividend is the amount paid by the Company out of profits, to its Shareholders in proportion to the amount paid up on the shares held by the shareholders. As per the provisions of the Companies Act, 2013, the dividend can be paid as interim or final.

#### **Interim Dividend**

- (a) The Board of Directors of the Company shall declare the interim dividend during the financial year, as and when they consider it fit to so declare.
- (b) The interim dividend can be declared by the Board of Directors one or more times in a financial year and normally, the Board may consider the declaration of interim dividend after the finalization of the quarterly/half yearly financial statements of the Company.
- (c) The interim dividend, if declared, shall be paid to the eligible shareholders, as per provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable. First interim dividend, if any, may be declared in the Board Meeting convened for approving financial statements for the 2<sup>nd</sup> quarter/half –year, and 2<sup>nd</sup> interim dividend, if any, may be declared at the time of approving financial statements for the 3<sup>rd</sup> quarter of the financial year.
- (d) In case no final dividend is declared by the Company, interim dividend paid during the financial year, if any, shall be considered as final dividend at the Annual General Meeting of the Company.

### **Final Dividend**

- (a) The final dividend, if any, is paid once in a financial year after the preparation of the annual financial statements.
- (b) The Board of Directors shall recommend the final dividend to the Shareholders for their approval in the Annual General Meeting of the Company. The declaration of final dividend, if any, shall be included in the ordinary business items to be transacted at the Annual General Meeting of the Company.
- (c) The final dividend shall be paid to the eligible shareholder's subject as per provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable.

### **Circumstances under which the Shareholders of the Company may or may not expect dividend**

The decision regarding dividend payout is a vital decision, as it determines the amount of the profit to be distributed among its shareholders and the amount of the profit to be retained in business for the future growth and modernization expansion plan of the Company. The Company would continue to adopt a progressive and dynamic dividend distribution policy to ensure its immediate and long term requirements along with rewarding the Shareholders of the Company. Dividend for the financial year shall be decided/recommended by the Board, considering, statutory, economic, market, industry, external and internal factors.

The Company may not declare dividend or declare dividend at a lower rate under the following circumstances:

- (a) in the event of the Company making losses or the profits are inadequate;
- (b) where the Company is having requirement of funds for Capex requiring high capital allocation, working capital, repayment of loans taken in the past;
- (c) inadequate availability of cash; and
- (d) higher cost of raising funds from alternate sources

It may be noted that declaration of dividend shall be subject to the provisions of Companies Act, 2013, SEBI Regulations.

#### **Parameters for Dividend Distribution**

- The Company has only one class of shares i.e. Equity shares and, hence, the parameters disclosed here under apply to the same.
- The Board while considering payment of dividend for a financial year may, *inter alia*, consider the following factors:
  - All carried over previous year's losses and depreciation not provided in previous year or years are set off against profit of the Company of the Current year;
  - Current year's depreciation charge has been duly provided for and there is balance in the Profit and Loss account after providing for past accumulated losses and current year depreciation and depreciation of previous periods;
  - Amounts transferred to reserves as may be stipulated;
  - Compliance with FEMA Regulations and Rules prescribed from time to time by Reserve Bank of India for payment of dividend to Non Residents;
  - Unpaid dividend, if any, shall be transferred to Investor Education and Protection Fund as per the provisions of the Companies Act, 2013;
  - Profit for the financial year as well as general reserves of the Company.
  - Projections of future profits and cash flows;
  - Borrowing levels and the capacity to borrow including repayment commitments;
  - Present and future Capital expenditure plans of the Company including organic/inorganic growth avenues;
  - Applicable taxes including tax on dividend;
  - Compliance with the provisions of the Companies Act or any other statutory guidelines including guidelines issued by Government of India;
  - Past dividend trend for the Company and the industry;
  - State of economy and capital markets; and
  - Any other applicable laws and regulations in this respect.
  - Any other factor as may be deemed fit by the Board.

#### **Other important internal and external factors to be considered by the Board**

In addition to the aforesaid parameters such as realized profits and proposed major capital expenditures, the decision of dividend payout or retention of profits shall also be based on the following factors/ parameters:

- 1 **Cash flow** – If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board will consider the same before its decision whether to declare dividend or retain its profits.
- 2 **Cost of borrowings** – The Board will analyze the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from external sources such as bankers, lending institutions or by issuance of debt



securities or plough back its own funds.

- 3 **Taxation and other regulatory concern** - Dividend distribution tax or any tax deduction at source as required by tax regulations in India, as may be applicable at the time of declaration of dividend and its impact on the finances of the Company.
- 4 **Macroeconomic conditions** - Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.
- 5 **Past performance/ Dividend history and reputation of the Company** - The standing of the Company in the business space, its dividend payment history and the impact of the decision on overall reputation of the Company.
- 6 Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

#### **Dividend Payout Ratio**

Dividend for every financial year shall be decided and recommended by Board considering various statutory requirements, financial performance of the company and other internal and external factors enumerated earlier in the policy. The Board of directors shall endeavor to maintain the Dividend Payout Ratio\* (Dividend/ Net Profit after Tax for the year) as near as possible to 50% or more of the Company's consolidated profit after tax or more, subject to the following

- Company's need for Capital for its growth plan
  - Positive Cash Flow
- (\* to be reviewed every 2 to 3 years, if need be)

#### **General**

- In the event of the Policy being inconsistent with any new regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this policy and the policy shall be construed to be amended accordingly from the effective date of such provision.

The Company reserves its right to alter, modify, add, delete or amend any or all of the provisions of the Policy as it may deem fit or in accordance with the guidelines and regulations as may be issued by Securities and Exchange Board of India, Government of India or any other regulatory authority. The change in the policy shall, however, be disclosed along with the justification thereof on the Company's website and in the ensuing annual report of the Company in accordance with the extant regulatory provisions.

#### **Winding up**

125. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

- a. If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- b. For the purpose aforesaid, the liquidator may set such value as he deems fair upon a

property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

- c. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

### **Indemnity**

- 126. Every Officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the Court or the Tribunal.
- 127. 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.
- 128.
  - a. No shareholder shall be entitled to visit or inspect any works of the Company without the permission of the Board of Directors of the Company including the Promoter(s) or any other person authorised on that behalf by the Board of Directors of the Company including the Promoter(s), to require discovery of any details in relation to the Company's business which is or may be in the nature of a trade secret, confidential information or any other matter which may relate to the conduct of the business of the Company which in the opinion of the Board of Directors of the Company including the Promoter(s) would be inexpedient in the interest of the Company to disclose. Secrecy
  - b. Every Director, Manager, Auditor, trustee, member of a committee, Officer, servant and accountant or other persons employed in the business of the Company shall before entering upon his duty sign a declaration, pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with the individual and in matter relating thereto and shall by such declaration pledge himself not to release any of the matters may come to his knowledge in the course of his duties except when required so to do by the Directors or by any meeting or a court of law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained or by the Act or any other law.
- 129. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. General powers

We, the several persons whose names, addresses and descriptions are hereinunder subscribed, are desirous of being formed into a Company in pursuance of these **ARTICLES OF ASSOCIATION** :

Name, Address, Description & Occupation of each Subscriber	Signature of Subscriber	Signature Names, Address, Description and Occupation of Witness
<p>1) <b>AJAY BANSILAL MALPANI</b> S/o. Basantilal Malpani 36-D, Narendra Sadan, Mugbhat Cross Lane, Mumbai - 400 004.</p> <p><b>OCCUPATION : BUSINESS</b></p>	<p>Sd/-</p>	
<p>2) <b>VIDYA AJAY MALPANI</b> W/o. Ajay Malpani 36-D, Narendra Sadan, Mugbhat Cross Lane, Mumbai - 400 004.</p> <p><b>OCCUPATION : BUSINESS</b></p>	<p>Sd/-</p>	<p><b>WITNESS TO SUBSCRIBERS. 1 &amp; 2</b> Sd/- <b>VARSHA MANISH GAIKWAD</b> W/o. Manish Gaikwad C/o. 1030, Navjivan Commercial Premises, Lamington Road, Mumbai - 400 008. <b>OCCUPATION : SERVICE</b></p>

Mumbai, 3rd Day of October, 2008.

**Certified to be True**  
**For Allied Blenders and Distillers Private Limited**

RITESH  
RAMNIKLAL  
SHAH

Digitally signed by  
RITESH RAMNIKLAL SHAH  
Date: 2022.06.05 18:33:06  
+05'30'

**Ritesh Shah**  
**Company Secretary**  
**ICSI Membership : A14037**  
**Date : 05 June 2022**