


**Memorandum**  
**AND**  
**Articles of Association**  
**OF**  
**Cummins India Limited**

Registered Office : Kothrud, Pune 411 038

True copy  
For Cummins India Limited

  
Authorised Signatory

For Cummins India Ltd.

  
Authorised Signatory



**FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME**

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA  
मुंबई, महाराष्ट्र.



In the matter of KIRLOSKAR CUMMINS LIMITED.

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Department of Company Affairs, Notification No. G. S. R. 507E dated the 24th June 1965 the change of name of the Company :

From KIRLOSKAR CUMMINS LIMITED

to CUMMINS INDIA LIMITED

and I hereby certify that KIRLOSKAR CUMMINS LIMITED

which was originally incorporated on Seventeenth  
day of February, 1962, under the Companies Act, 1956 and under the name  
KIRLOSKAR CUMMINS LIMITED having

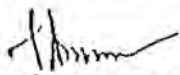
duly passed the necessary resolution in terms of section 21 ~~of the Companies Act, 1956~~ of  
the Companies Act, 1956 the name of the said Company is this day changed to  
CUMMINS INDIA LIMITED and this

certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at MUMBAI this Tenth  
day of September one thousand nine hundred ninety seven.

15/9/67



  
( T. Amarnath )  
Addl. Registrar of Companies,  
Maharashtra, ~~Bombay~~  
MUMBAI.



THE COMPANIES ACT, 1956  
COMPANY LIMITED BY SHARES  
Memorandum of Association  
OF  
CUMMINS INDIA LIMITED

True Copy  
For Cummins India Limited  
Authorised Signatory

1. The name of the Company is "Cummins India Limited" Name.
2. The Registered Office of the Company will be situated in the State of Maharashtra. Registered Office.
3. The objects for which the Company is established shall extend to all the states of India and are:-
  - (1) To manufacture, produce, repair, export, import, purchase, sell (whether for ready or for future delivery), hire and let on hire and generally to carry on business in internal combustion engines of all types and kinds and in particular diesel engines of all sizes and capacities, reciprocating piston engines, gas turbine engines, gasoline engines, fuelled by gas, oil and other fuels for use for automotive purposes (including in passenger automobiles, railway locomotives, trucks, tractors, earth-moving apparatus and buses) and for aviation, marine and electrical energy generating and other stationary purposes. Internal combustion engines etc.
  - (2) To manufacture, produce, repair, export, import, purchase, sell (whether for ready or for future delivery) and generally to carry on business in all types auxiliaries and spare parts, of tools and equipment and machinery and in respect of the articles and things referred to in clause (1) above including in particular cooling towers, water primers, heat exchangers, lube oil cleaners, lube oil strainers, lube oil sumps, lube oil filters, lube oil filter pumps, governors, generators, exciters, water pumps, oil pumps, filters, silencers, fuel pumps, exhaust systems, booster pumps, starting air tanks, starting air compressors, tanks of all kinds and otherwise to manufacture, produce, buy and sell all trucks, equipments and machineries of which the articles and things referred to in clause (1) and in this clause may be or form part. Auxiliaries and spares etc.
  - (3) To carry on the business of manufacturers and dealers and hirers, repairers, cleaners, storers and warehousemen of motorcars, motorcycles, cycle-cars, motors, scooters, cycles, bicycles and carriages, launches, boats, and other conveyances of all descriptions whether propelled or assisted by means of petrol, diesel oil, spirit, steam, gas, electrical, jet-propulsion or any type of power and all engines, chassis, bodies and other things used for in or in connection with motors and other things. Motor cars and other conveyances etc.



- Machinery and components etc. (4) To manufacture, buy, sell, let on hire, repair, alter and deal in machinery, component parts, accessories and fittings of all kinds for internal combustion engines, motors, vehicles and other articles and things referred to in clauses (1), (2) and (3) hereof or used in or capable of being used in connection with the manufacture, maintenance and working thereof.
- Garage-keepers etc. (5) To carry on the business of garage-keepers, filling station operators, service station operators and suppliers of and dealers in petrol, diesel, oil, and other types of fuels, electricity and other forms of motive power to motors and other things.
- Garage proprietors etc. (6) To carry on (either in connection with the aforesaid business or as distinct and separate businesses) the businesses of garage proprietors and to buy, sell, supply and deal in petrol, diesel oil and petroleum products, electricity, new and used internal combustion engines and trucks, automobiles, ships, aircraft and other machinery containing or having internal combustion engines and new and used motor-vehicles, parts of such vehicles and their accessories and supplies.
- Mechanical engineers etc. (7) To carry on (either in connection with the aforesaid business or as distinct and separate businesses) the business of manufacturers, mechanical engineers, iron founders, casters, forge proprietors, and workers in and manufacturers of iron, steel and other metals, ferrous as well as non-ferrous, manufacturers of agricultural implements and other machinery, fitters, tool-makers, brass founders, metal makers, boiler makers, mill-wrights, machinists, iron and steel converters, smiths, wire drawers, tube makers, metallurgists, saddlers, galvanizers, annealers, painters, electrical engineers, water supply engineers, gas makers, packing case makers, dealers in steel frames, framers, printers, carriers, automobile consultants, electro-platers, wood workers, builders, tool-makers, pattern makers, refiners and chemical manufacturers.
- Machinery implements etc. (8) To bring, buy, sell, manufacture, plant, cultivate, prepare, repair, convert, hire, alter, treat, manipulate, exchange, let on hire, import, export, dispose off and deal in machinery, implements, rolling stock, plant, hardware, ores, metals, iron, carbon-black, rayon, hessian, stone materials, tools, appliances, apparatus, products, substances and articles of all kinds (whether referred to in this Memorandum or not) which may seem to the company capable of being used or required for the purpose of any of the businesses which the Company is expressly or by implication authorized to carry on or which are usually supplied or dealt in by persons engaged in any such businesses or which may seem to the Company capable of being conveniently carried on in connection with the above or otherwise calculated directly or indirectly to enhance the value of any of the property and rights of the Company for the time being.
- Chemicals etc. (9) To carry on (either in connection with the aforesaid business or as distinct and separate businesses) the businesses of manufacturers of



of chemicals, fibres, plastics, precipitates or any articles or things.

(10) To enter into any arrangements with any government or authorities municipal, local or otherwise or any persons or company in India or abroad that may seem conducive to the objects of the Company or any of them and to obtain from any such government, authority, persons or company any rights, privileges, charters, contracts, licenses and concessions including in particular rights in respect of waters, waterways, roads and highways, which the Company may think it desirable, and to carry out, exercise and comply therewith.

Arrangements with governments and others.

(11) To transact and carry on (either in connection with the aforesaid businesses or as distinct and separate businesses) all kinds of agency business.

Agencies.

(12) To carry on (either in connection with the aforesaid businesses or as distinct and separate businesses) any of the following businesses that is to say of general carriers, forwarding agents and warehousemen.

Carriers etc.

(13) To carry on any other business (whether manufacturing or otherwise, which may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to enhance the value of, or render profitable, any of the property or rights of the Company.

Other businesses.

(14) To acquire the whole or any part of the undertaking and assets of any business within the objects of the Company and any lands, privileges, rights, contracts, property or effects held or used in connection therewith and upon any such purchase to undertake the liabilities of any such company, association, partnership or person.

To acquire other undertakings etc.

(15) To act as agents or brokers and as trustees for any person or company and to undertake and perform sub-contracts and to do all or part of the above things in any part of the world and either alone or jointly with others, and either by or through agents, managing agents, sub-contractors, trustees or otherwise.

Agents, brokers etc.

(16) To amalgamate, enter into partnership, or into any arrangement for sharing profits, union of interests, co-operation, joint ventures or reciprocal concessions with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the Company is authorized to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as to directly or indirectly benefit the Company.

Amalgamation.

(17) To acquire from any persons, firm or body corporate or incorporate, whether in India or elsewhere, technical information, know-how, processes, engineering, manufacturing and operating data, plans, lay-outs and blue - prints useful for the design, erection and

Acquisition of information etc.



operation of plant required for any of the businesses of the Company and to acquire any grant or license and other rights and benefits in the foregoing matters and things.

Patents, trade marks etc. (18) To apply for, purchase, or otherwise acquire and protect and renew in any part of the world, any patents, trademarks, patent rights, brevets d' invention, licenses, concessions and the like, conferring any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights, or information so acquired.

Improvements. (19) To expend money in experimenting on and testing and in improving or seeking to improve any patents, rights, inventions, discoveries, processes or information of the Company or which the Company may acquire or propose to acquire.

Promoting Companies. (20) To establish or promote or concur in establishing or promoting any Company or Companies for the purposes of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any such other company.

Purchases, leases and exchanges etc. (21) Generally to purchase, take on lease, mortgage or in exchange, hire or otherwise acquire, any movable and/or immovable property and any rights or privileges which the Company may think or see necessary or convenient for the purpose of its business or which may enhance the value of other property of the Company and in particular any land, buildings, easements, machinery, plant, vehicles and stock-in-trade.

To build, construct etc. (22) To build, construct, own, alter, maintain, enlarge, pull-down, remove or replace and to work, manage, control and superintend any buildings, offices, factories, mills, shops, machinery, engines, roadways, tramways, railway sidings, bridges, reservoirs, water courses, wharves, electric works and other works and conveniences, which may seem calculated directly or indirectly to advance the interests of the Company, and to join with any other person or company in doing any of these things.

Investments. (23) To invest and deal with the moneys of the Company not immediately required in any manner and in particular to accumulate funds or to acquire or take by subscription, purchase or otherwise howsoever or to hold shares or stock in or the security of any company, association or undertaking in India or abroad.



- (24) To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company, and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies and generally to give guarantees and indemnities. Loans.
- (25) To receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit and in particular by the issue of debentures, or debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future), including its uncalled capital, and also by a similar mortgage, charge, or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be, provided that the Company shall not carry on the business of banking within the meaning of the Banking Companies act, 1949. Deposits.
- (26) To pay for any business, property or rights acquired or agreed to be acquired by the Company and to remunerate any person or Company and generally to specify any obligation of the Company by the issue and or allotment or transfer of shares of this or any other company credited as fully or partly paid up or of debentures or other securities of this or any other company. Payments.
- (27) To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments. Negotiable instruments.
- (28) To pay out of funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital, including brokerage and commissions for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures, or other securities of the Company. Expenses.
- (29) To sell, lease, exchange, mortgage or otherwise dispose off the property assets or undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, stock, debentures, or other securities of any other Company whether or not having objects altogether or in part similar to those of the Company. Distribution of assets.
- (30) To distribute among the members in specie any property of the Company or any proceeds of the sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital Distribution in specie.



be made except with the sanction (if any) for the time being required by law.

Improvements. (31) To improve, manage, develop, grant rights or privileges in respect of or otherwise deal with, all or any part of the property and rights of the Company.

Welfare of Directors, Trustees, employees etc. (32) To provide for the welfare of the directors, trustees and employees or ex-directors, ex-trustees and ex-employees of the Company and the wives, widows and families or the dependants or connections of such persons, by building or contributing to the building of houses, dwellings or chawls, by grants of money, pensions, allowances, bonuses or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit and to subscribe, or to contribute or otherwise to assist or grant money to public and/ or political objects, purposes, funds, and institutions and to any other useful institutions, funds or purposes which in the opinion of the Board of Directors are deserving and/or are likely to promote the interests or the business of the Company or to further its objects and/or to charitable and other useful funds whatsoever or for any exhibition.

Foreign registration. (33) To procure the Company to be registered or recognized in any part of the world outside India.

Depreciation. (34) To create any depreciation fund, reserve fund, sinking fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the properties, of the Company or for any other purpose conducive to the interests of the Company.

Reserves, Dividend and Bonus. (35) Subject to Section 78 of the Companies Act, 1956, to place to reserve or to distribute as dividend or bonus among the members, or otherwise to apply, as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures issued at a premium by the Company, and any moneys received in respect of dividends accrued on forfeited shares or from unclaimed dividends.

Research, etc. (36) To establish, provide, and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments; to undertake and carry on scientific and technical researches, experiments and tests of all kinds to promote studies and researches both scientific and technical, investigations and inventions by providing, subsidizing, endowing or assisting laboratories, workshops, libraries, lectures, meetings, and conferences and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests,



and inventions of any kind that may be considered likely to assist any business which the Company is authorized to carry on.

(37) To adopt such means of making known products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations. Advertisement s.

(38) To take part in the management, supervision or control of the business or operations of any company or undertaking, and for that purpose to appoint and remunerate any directors, accountants, or other experts or agents, and to act as managing agents or agents or secretaries and treasurers of any such company or undertaking. Management etc. of other companies.

(39) To aid pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade. Aid to industrial or labour association etc.

(40) To undertake and execute any trusts, the undertaking whereof may seem desirable and whether gratuitously or otherwise. Trusts.

(41) Subject to the provisions of the Companies Act, 1956, or any other enactment in force, to indemnify and keep indemnified members, officers, directors, agents and servants of the Company against proceedings, costs, damages, claims and demands in respect of anything done or ordered to be done by them for and in the interests of the Company and for any loss, damage, or misfortune whatever and which shall happen in execution of the duties of their office or in relation thereto. Indemnity.

(42) To apply for, promote and obtain any Act of Parliament, charter, privilege, concession, license or authorization of any government, state or municipality, provisional order or license of any authority for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem expedient and to oppose any proceeding or applications which may seem calculated directly or indirectly to prejudice the interests of the Company. Statutes etc.

(43) To agree to refer to arbitration and to refer to arbitration any disputes present or future between the Company and any other company, firm or individual and to submit the same to arbitration in India or abroad either in accordance with Indian or any foreign system of law. Arbitration.

(44) To do all or any of the above things in any part of the Union of India and in any part of the world, and either as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise, either alone or in conjunction with others, and to do all such other things as are incidental or conducive to the, attainment of the above General.



objects or any of them.

<sup>1</sup>(45) To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare of, or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist in the execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing "programme of rural development" shall also include any programme for promoting the social and economic welfare of or the uplift of the public in any rural area which the Directors consider likely to promote and assist rural development and the words "rural area" shall include such areas as may be regarded as rural areas under Section 35CC of the Income-tax Act, 1961, or any other law for the time being in force or as may be regarded by the Directors as rural areas. The Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the Company of the ownership of any of its property to or in favour of any public or local body or authority or Central or State Government or any public institutions or trusts established under any law for the time being in force or registered or approved by Central or State Government or any authority specified in that behalf.

<sup>1</sup>(46) To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of the national economy and for discharging what the Directors may consider to be the social and moral responsibilities of the Company to its workmen, consumers and the public or any section, of the public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of the workmen, consumers and the public or any section of the public and in such manner and by such means as the Directors may think fit and the Directors may without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for the publication of any books, periodicals or newspapers or for organizing lectures or seminars likely to advance these objects or for giving merits awards, scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, fund, or trust having any one of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the Company of the ownership of any of its property to or in favour of any public or local body or authority or Central or State the time being in force or registered or approved by the Central or State Government or any public institutions or trusts established under any law for


<sup>1</sup> As inserted at 18<sup>th</sup> Annual General Meeting held on 15<sup>th</sup> March, 1980.



Government or any authority specified in that behalf.

AND IT IS HEREBY DECLARED THAT :

- (a) the word "Company" when used in any paragraph in this present Clause III, except where used in reference to this Company, shall be deemed to include any authority, partnership or body of persons, whether corporate or otherwise and whether domiciled in India or elsewhere, and Definition of "Company".
- (b) the objects specified in each of the paragraphs of this clause shall be regarded as independent objects, and accordingly shall in no wise be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the company but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects of a separate and distinct company. Liberal interpretation of objects.
- (c) The marginal notes hereto shall not affect the construction of the objects or restrict the operation thereof.
- (4) The liability of the members is limited.
- <sup>1</sup>(5) The Company has the power from time to time to increase or reduce its capital. The share capital of the Company will be Rs. 800,000,000 (Rupees Eight Hundred Million) divided into 400,000,000 (Four Hundred Million) Equity Shares of Rs. 2/- each with the rights, privileges and conditions attaching thereto, as are provided by the Articles of the Association of the Company for the time being, with power to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956, or provided by the Articles of Association of the Company for the time being.
- (6) We, the persons whose names and addresses are hereunder subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we agree to take the number of Shares in the capital of the Company set opposite our respective names.

True copy  
For Cummins India Limited  
  
Authorised Signatory

<sup>1</sup> As amended at the Extra Ordinary General Meeting held on September 9, 2011



Names, addresses, descriptions and occupations of Subscribers.	Number of shares taken by each Subscriber	Witness to signature
(Sd/- S.L. Kirloskar) Shantanu Laxman Kirloskar Industrialist "Lakaki" Shivajinagar, Pune - 5 Son of Laxman Kashinath Kirloskar	One equity	S.N. Wakhariya, Solicitor, Bombay, C/o M/s. Little & Co. Central Bank Building, 3 <sup>rd</sup> Floor, Mahatma Gandhi Road, Bombay - 1.
(Sd/- C.S. Kirloskar) Chandrakant Shantanu Kirloskar Executive, "Lakaki" Shivajinagar, Pune - 5 Son of Shantanu Laxman Kirloskar	One equity	
(Sd/- M. S. Rau) M. Suryanarayan Rau Service, 38/11 Prabhat Road, Pune - 4. Son of Thimmappaya	One equity	
(Sd/- J.S. Bapasola) J.S. Bapasola, Attorney, 10, Setalvad Road, Bombay - 6. Son of Sorabji Bapasola	One equity	
(Sd/- N.B. Vakil) N. B. Vakil, Attorney, 60, Napean Sea Road, Bombay, Son of Behram A. Vakil	One equity	
(Sd/- D. P. Mehta) D.P. Mehta, Attorney, Marine Chambers, Marine Lines, Bombay - 1. Son of Phirozeshaw Mehta.	One equity	
(Sd/- N.K. Prasad) N. Krishnaprasad Service, 1229 Deccan Gymkhana, Pune - 4 Son of Gopalkrishna	One equity	
	SEVEN Equity	Total

Dated this 14<sup>th</sup> day of February, 1962.

True copy  
For Cummins India Limited

Authorised Signatory



THE COMPANIES ACT, 1956  
COMPANY LIMITED BY SHARES

Articles of Association  
OF  
CUMMINS INDIA LIMITED

For Cummins India Limited

Authorised Signatory

PRELIMINARY

1. No regulations contained in Table A, in the First Schedule to the Companies Act, 1956, or in the Schedule to any previous Companies Act, shall apply to this Company, but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

Table A not to apply but Company to be governed by these Articles.

INTERPRETATION

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

"The Company" or "This Company" means CUMMINS INDIA LIMITED.

"The Act" means "The Companies Act, 1956", as amended from time to time or re-enactment thereof for the time being in force.

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

"Beneficial Owner" means the beneficial owner as defined under the Depositories Act, 1996.

"Board" means a meeting of the Directors duly called and constituted, or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.

Interpretation clause.

"The Company" or "this Company"

"The Act"

"Auditors"

"Beneficial Owner"

"Board"

<sup>1</sup> As inserted at the Annual General Meeting on August 20, 1998.



“Capital”	“Capital” means the Capital for the time being raised or authorised to be raised for the purposes of the Company.
“Debenture”	“Debenture” includes Debenture Stock.
<sup>1</sup> “Depository”	“Depository” means a Depository as defined under the Depositories Act, 1996 and with whom the Company has entered into an agreement for availing its services.
<sup>2</sup> “Depositories Act, 1996”	“Depositories Act, 1996” means Depositories Act, 1996, and shall include any statutory modification or re-enactment thereof.
“Directors”	“Directors” means the Directors for the time being of the Company, or as the case may be, the Directors assembled at a Board.
<sup>3</sup> “Dividend”	“Dividend” includes any interim dividend and bonus.
<sup>4</sup> “Employees Stock Option”	“Employees Stock Option” means the option given to the whole time directors, officers or employees of a company, which gives such directors, officers or employees the benefit or right to purchase or subscribe at a future date, the securities offered by the company at a predetermined price.
“Gender”	Words importing the masculine gender also include the feminine gender.
“In writing” & “Written”	“In Writing” and “Written” include printing, lithography and other modes of representing or reproducing words in a visible form.
“Marginal Notes” and “Catch lines.”	“The Marginal notes” and “Catch lines” hereto shall not affect the construction hereof.
<sup>5</sup> “Members”	“Members” means the duly registered holders, from time to time of the shares of the Company and include every person holding equity share capital of the Company and whose name is entered as beneficial owner in the records of a Depository.
“Meeting” or “General Meeting.”	“Meeting” or “General Meeting” means a meeting of Members. “Annual General Meeting” means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act.
“Executive Committee.”	“Executive Committee” means the Executive Committee constituted or proposed to be constituted under these Articles.
“Extraordinary	“Extraordinary General Meeting” means an Extraordinary General

<sup>1</sup> As inserted at the Annual General Meeting on August 20, 1998

<sup>2</sup> As inserted at the Annual General Meeting on August 20, 1998

<sup>3</sup> As inserted at the Extra-Ordinary General Meeting on March 26, 2002

<sup>4</sup> As inserted at the Extra-Ordinary General Meeting on March 26, 2002

<sup>5</sup> As inserted at the Annual General Meeting on August 20, 1998



General Meeting”	Meeting of the Members duly called and constituted and any adjourned holding thereof.
“Month”	“Month” means a calendar month.
“Office”	“Office” means the Registered Office for the time being of the Company.
“Paid-up”	“Paid-up” includes credited as paid.
“Persons.”	“Persons” includes corporation and firms as well as individuals.
“Proxy.”	“Proxy” means any instruments whereby any person is authorised to vote for a member at a General Meeting or Poll.
“Register of Members”	of “Register of Members” means the Register of Members to be kept pursuant to the Act.
“The Registrar.”	“The Registrar” means the Registrar of Companies.
<sup>1</sup> “SEBI.”	“SEBI” means Securities and Exchange Board of India established under Securities and Exchange Board of India Act, 1992.
“Secretary.”	“Secretary” means any individual appointed to perform any of the duties of a Secretary.
“Seal.”	“Seal” means the Common Seal for the time being of the Company.
<sup>2</sup> “Securities.”	<p>“Securities” include –</p> <ol style="list-style-type: none"> <li>1. shares, scripts, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;</li> <li>2. derivatives;</li> <li>3. units or any other instrument issued by any collective investment scheme to the investors in such schemes;</li> <li>4. government securities;</li> <li>5. such other instruments as may be declared by the Central Government to be securities;</li> <li>6. rights or interest in securities; and</li> <li>7. such other securities as may be specified by SEBI or under Securities Contracts (Regulation) Act, 1956, from time to time.</li> </ol>
“Share.”	“Share” means share in the share capital of a Company, and includes stock except where a distinction between stock and share is expressed or implied.
“Singular number.”	Words importing the singular number include, where the context admits or requires, the plural number and <i>vice versa</i> .

<sup>1</sup> As inserted at the Extra Ordinary General Meeting on March 26, 2002.

<sup>2</sup> As inserted at the Extra Ordinary General Meeting on March 26, 2002.



“Special Resolution” shall have the meaning assigned thereto by Section 189 of the Act.

“Special Resolution.”

<sup>1</sup>“Sweat Equity Shares” means equity shares issued by the company to employees or directors at a discount or for consideration other than cash for providing know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called.

“Sweat Equity Shares.”

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

“Year” and “Financial Year.”

Save as aforesaid any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### CAPITAL AND INCREASE AND REDUCTION IN CAPITAL

<sup>2</sup>3. The Share Capital of the Company consists of Rs. 800,000,000 (Rupees Eight Hundred Million) divided into 400,000,000 (Four Hundred Million) Equity Shares of Rs. 2 each.

Amount of Capital

4. The Company in General Meeting may from time to time, by an Ordinary Resolution increase the capital by creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting of General Meetings of the Company in conformity with Sections 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.

Increase of capital by the Company and how carried into effect.

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For Cummins India Limited  
Authorized Signatory

5. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares, shall be considered as part of the existing capital, and shall be subject to the provisions herein contained with reference to the payment of calls and installments forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

New capital same as existing capital

<sup>3</sup>5A. The Company shall have power to the extent permitted by the Act or applicable rules and regulations to issue equity shares with differential rights as to dividend, voting or otherwise and attach

“Shares with differential rights”

<sup>1</sup> As inserted at the Extra Ordinary General Meeting on March 26, 2002.

<sup>2</sup> As amended at the Extra Ordinary General Meeting on September 9, 2011.

<sup>3</sup> As inserted at the Extra Ordinary General Meeting on March 26, 2002.



thereto such rights and privileges as deemed fit subject to and in accordance with such rules and regulations as may be prescribed in that regard.

<sup>1</sup>“Sweat Equity Shares”

5B. Subject to the provisions of Section 79A of the Act and all other applicable provisions, the Company shall have power to issue Sweat Equity Shares.

<sup>2</sup>“Employees Stock Option Scheme”

5C. The Company may form and execute Employees Stock Option Scheme as per the guidelines issued by SEBI and such other rules and regulations as may be applicable from time to time.

Redeemable Preference Shares.

6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the redemption may be effected in the manner and subject to the terms and provisions of its issue, and failing this the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

Provisions to apply on issue of Redeemable Preference Shares.

7. On the issue of redeemable Preference Shares under the provisions of Article 6 hereof the following provisions shall take effect:-

(a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;

(b) no such shares shall be redeemed unless they are fully paid;

(c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;

(d) where any such share are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the “Capital Redemption Reserve Account”, a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company, shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

<sup>3</sup>“Buy-back of shares by the Company.”

7A. Notwithstanding anything to the contrary contained in these Articles, the Company shall, to the extent permitted by the Act or the applicable rules and regulations, have the right to buy-back its own shares or other specified securities out of its free reserve or securities premium account or the proceeds of any shares or other specified

<sup>1</sup> As inserted at the Extra Ordinary General Meeting on March 26, 2002.

<sup>2</sup> As inserted at the Extra Ordinary General Meeting on March 26, 2002.

<sup>3</sup> As inserted at the Extra Ordinary General Meeting on March 26, 2002.



securities or otherwise as permissible, subject to and in accordance with applicable provisions of the Act and the rules and regulations as may be prescribed thereunder.

8. The Company may (subject to the provisions of Sections 78, 80, 100 to 105 inclusive, of the Act) from time to time by Special Resolution, reduce its Capital and any Capital Redemption Reserve Account or other premium account in any manner for the time being authorized by law, and in particular capital may be paid of on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

Reduction of Capital.

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

Sub-division and consolidation of shares.

10. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges, attached to each class may, subject to the provisions of Section 106 and 107 of the Act, be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a special resolution passed at a separate Meeting of the holders of the issued shares of that class and all the provisions hereinafter contained as to General Meetings shall, *mutatis mutandis* apply to every such meeting, but so that the quorum thereof shall be two persons at least holding or representing by proxy three-fourths of the nominal amount of the issued shares of the class. This Article is not to derogate from any power the Company would have if this Article were omitted.

Modification of rights.

The rights conferred upon the holders of the shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of issue of shares of that class be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking *pari passu* therewith.



## SHARES AND CERTIFICATES

Register and Index of Members. <sup>1</sup>11. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. However the Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be Register and Index of Members in accordance with and within the meaning of Sections 150 and 151 of the Act and these Articles.

Shares to be numbered progressively and no share to be sub-divided. <sup>2</sup>12. The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. Provided however that the provision relating to progressive numbering shall not apply to the shares of the Company which are held with a Depository in a dematerialised form.

Restriction on allotment. 13. The Board shall observe the restrictions as to allotment of shares to the public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment, provided for in Section 75 of the Act.

Further issue of capital. 14.(1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation (whichever is earlier) the Board decides to increase the capital of the Company by the issue of new shares, then, subject to any directions to the contrary which may be given by the Company in General Meeting, and subject only to those directions, such further shares shall be offered to the persons, who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date; and such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. 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 may dispose of them in such manner as it thinks most beneficial to the Company.

(2) Notwithstanding anything contained in Clause (1), the further shares therein referred to may be offered to any persons whether or not those persons include the persons referred to in Clause (1) in any manner whatever either

(i) If a special resolution to that effect is passed by the Company in general meeting or

<sup>1</sup> As inserted at the Annual General Meeting on August 20, 1998.

<sup>2</sup> As inserted at the Annual General Meeting on August 20, 1998.



(ii) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person or, where proxies are allowed, by proxy exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board in this behalf, that the proposal is most beneficial to the Company.

(3) Nothing in Clauses (1) and (2) of this Article shall apply to the increase of the subscribed capital caused by an exercise of option attached to debentures issued or loans raised to convert such debentures or loans into shares in the Company or to subscribe for shares in the Company (whether such option is conferred in Article 67 or otherwise) provided that the terms of the issue of such debentures or of such loans include a term providing for such option and such term has been approved by a special resolution passed by the Company in general meeting before the issue of the debentures or the raising of the loans and also, the same has either been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity within the rules, if any, made by that Government in this behalf.

<sup>1</sup>(15) Subject to provisions of these Articles and of the Act, the shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors think fit and with full power with the sanction of the Company in General Meeting to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount and for such time and for such consideration as the Directors may think fit. The Board shall cause to be made the returns as to allotment provided for in Section 75 of the Act. Where the Member has opted to hold the shares with a Depository, the Board shall cause the Company to intimate the details of allotment of shares to the Depository immediately on allotment of such shares.

Shares under  
control of  
Directors.

(16) In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 14 and 15 the Company in General Meeting may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of sections 78 and 79 of the Act) at a premium or at par or at discount, as such General Meeting shall determine and with full power to give any person (whether a

<sup>1</sup> As inserted at the Annual General Meeting on August 20, 1998.



Member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such considerations as may be directed by such General Meeting; or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

Acceptance of shares. <sup>1</sup>(17) Any application signed by or on behalf of any applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the Register of Members or any person holding shares and whose name is entered as Beneficial Owner in the records of a Depository shall, for the purposes of these Articles, be a Member.

Deposit and calls etc., to be a debt payable immediately. (18) The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members. (19) Every Member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner, as the Board shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

Share Certificates. <sup>2</sup>20 (a) Every Member or allottee of shares unless otherwise he has opted to hold the shares with a Depository shall be entitled, without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or of its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit as to evidence and indemnity and the payment of

<sup>1</sup> As amended at the Annual General Meeting on August 20, 1998.

<sup>2</sup> As amended at the Annual General Meeting on August 20, 1998.



out-of-pocket expenses incurred by the Company in investigating evidence. Every such certificate shall be issued under the seal of the Company which shall be affixed in the presence of 2 Directors or persons acting on behalf of the Directors under duly registered power-of-attorney and the Secretary or some other person appointed by the Board for the purpose, and the two Directors or their attorneys and the Secretary or other person shall sign the share certificate; provided that if the composition of the Board permits it, at least one of the aforesaid two Directors shall be a person other than a Managing or a whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.

20. (b) Any two or more joint allottees of a share shall for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee one. The Company shall comply with the provisions of Section 113 of the Act, and the relevant Rules framed under the Act.

20. (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

21. (a) No share certificate of any share or shares shall be issued either in exchange for those which are defaced, torn or old, decrepit, worn out, or where the cages on the reverse for recording transfers have been duly utilized unless the certificate in lieu of which it has been issued is surrendered to the Company. The Company shall be entitled to charge such fee, not exceeding Rs. 2 per share certificate for replacement of any Share Certificates that are defaced or torn as the Board thinks fit.

Renewal of share certificate.

Provided that no fees shall be charged for issue of new certificate; issued on splitting or consolidation of share certificates or in replacement of those old, decrepit, worn out, or where the cages on the reverse for recording transfers have been fully utilized.

(b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of share certificate No..... sub-divided/replaced/on consolidation of shares."

(c) If a share certificate is lost or destroyed, a new certificate in



lieu thereof shall be issued only with the prior consent of the Board and on payment of such fee, not exceeding Rupees two as the Board may from time to time fix, and on such terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating or examining evidence as the Board thinks fit.

(d) When a new share certificate has been issued in pursuance of clause (c) of this Article it shall state on the face of it and against the stub or counterfoil to the effect that it is “ duplicate issued in lieu of share certificate No.....” The word “duplicate” shall be stamped or punched in bold letters across the face of the share certificate.

(e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars, of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicating against the name of the persons to whom the certificate is issued, the number and date of issue of share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross references in the “Remarks” column.

(f) All blank forms to be issued for issue of share certificate shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine – numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purposes; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(g) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificate referred to in clause (f) of this Article.

(h) All books referred to in clause (g) of this Article shall be preserved in good order permanently.

Cancellation and issue of share certificates under the Depositories Act, 1996. <sup>1</sup>21A. Notwithstanding anything contained in Article 20, 21, 50, 51 and other Articles, wherever relevant and applicable, the Company shall be entitled to cancel and/or issue share certificates as per the provisions of the Depositories Act, 1996.

<sup>1</sup> As inserted at the Annual General Meeting on August 20, 1998.



<sup>1</sup>22. If any share stands in the names of two or more persons, the person first named in the Register of Members or where the share is held by joint-holders with a Depository as beneficial owners, the person first named, as appearing in the records of a Depository shall as regards receipt of dividends or bonus, or service of notices and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share, and for all incidents thereof according to the Company's regulations.

The first named of joint-holder deemed sole holder.

23. Except as ordered by a Court of competent jurisdiction or as by Law required, the Company shall not be bound to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or (except only as is by these Articles otherwise expressly 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 their sole discretion to register any share in the joint names of any two or more persons but not exceeding four persons or the survivor or survivors of them.

Company not bound to recognize any interest in share other than that of registered holder.

24. None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company save as provided by Section 77 of the Act.

Funds of the Company not to be applied in the purchase of its own shares.

<sup>2</sup>24A. Notwithstanding anything contained in these Articles, the Company shall allow a Member to hold his shares with a Depository in a dematerialized form in accordance with the provisions of the Depositories Act, 1996. And the Member shall also be entitled to rematerialise the dematerialised shares.

Member is entitled to dematerialise or rematerialise shares.

#### UNDERWRITING AND BROKERAGE

25. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any share or debentures in the Company; but so that the commission shall not exceed in the case of shares five percent of the price at which the shares are issued, and in the case of debentures two and a half percent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of

Commission may be paid.

<sup>1</sup> As amended at the Annual General Meeting on August 20, 1998.

<sup>2</sup> As inserted at the Annual General Meeting on August 20, 1998.



one way and partly in the others.

Brokerage. 26. The Company may pay a reasonable sum for brokerage.

#### INTEREST OUT OF CAPITAL

Interest may be paid out of capital. 27. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the works or building, or the provision of plant.

Directors may make calls. 28. The Board may, from time to time, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by way of premium) held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine.

Notice of calls. 29. Twenty-one days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

Calls to date from resolutions. 30. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board.

Several liability joint-holders. 31. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Extension of time for payment of calls. 32. The Board may, from time to time at its discretion extend the time fixed for the payment of any call, and may extend such time as to call of any the Members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension; but no Member shall be entitled to such extension save as a matter of grace and favour.

Calls to carry interest. 33. If any Member fails to pay call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 10 percent per



annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member and the Board shall be at liberty to waive payment of such interest either wholly or in part.

34. 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 premiums, shall for the purposes of these Articles be deemed to be a Call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Sums deemed to be calls.

35. On the trial or hearing of any notice or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company either on a call or otherwise in respect of his shares it shall be sufficient to prove that the name of the Members in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or as one of the holders at or subsequently to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the minute book; and the notice of such a call was duly posted to the Member or his representatives used in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

Proof on trial of suit for money due on share.

36. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Partial payment not to preclude forfeiture.

37. (1) The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amounts of his shares beyond the sums actually called up, and upon the moneys so paid in advance, or upon so much thereof as from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate (not exceeding without the sanction of the Company in General Meeting 6 percent) as the Member paying the sum in advance and the Board agree upon. The Board may either agree to repay the same upon giving to the Member three months' notice in writing.

Payment in anticipation of calls may carry interest.



(2) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

Company's  
Lien on  
Shares.      38. The Company shall have a first and paramount lien upon all shares (other than fully paid up shares) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any such share shall be created except upon the footing and condition that Article 23 is to have full legal effect. And such lien shall extend to all dividends from time to time declared in respect of such shares.

As to  
enforcing lien  
by sale.      39. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit, and for that purpose, may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their members to execute a transfer thereof on behalf of and in the name of such member. But no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell, shall have been served on such Members, his executors or administrators or his committee, curator or other legal representative as the case maybe and default shall have been made by him or them in payment, of the payable sum as aforesaid for fourteen days after the date of such notice.

Application of  
proceeds of  
sale.      40. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and 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.

#### FORFEITURE OF SHARES

If money  
payable on  
share not  
paid, notice to  
be given to  
member.      41. If any Member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Terms of  
notice.      42. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such such call or installment and such interest thereon at such rate as the Directors shall determine from the day on which such call or installment ought to have been paid, and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-



payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.

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

In default of payment, shares to be forfeited.

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

Notice of forfeiture to a Member.

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

Forfeited share to be property of the Company and may be sold etc.

46. Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding 9 percent per annum as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.

Member still liable to pay money owing at time of forfeiture and interest.

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

Effect of forfeiture.

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

Evidence of forfeiture.



Validity of sale after forfeiture. 149. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinabove given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

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

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

### TRANSFER AND TRANSMISSION OF SHARES

Register of Transfers. 52 (a) The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

(b) Shares of the Company may be transferred by an instrument in writing in such form and by such procedure as from time to time may be prescribed by law. Subject thereto the Directors may prescribe any form for instrument of transfers, which may from time to time be altered by the Directors.

To be executed by Transferor and Transferee. (c) Every such instrument of transfer shall be executed both by the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

Transfer books when closed. 53. The Board shall have power on giving not less than seven days' previous notice by advertisement in a newspaper circulating in Pune to close the transfer books, the Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate

<sup>1</sup> As amended at the Annual General Meeting on August 20, 1998.



forty-five days in each year, as to it may seem expedient.

54. Subject to the provisions of Section 111 of the Act and subject as hereinafter mentioned, the Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer.

Directors may refuse to register transfers.

Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

55. Where in the case of partly paid shares an application for registration is made by the transferor the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.

Notice of application, when to be given.

56. In the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

Death of one or more joint holders of shares.

57. The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased (not being one of two or more joint-holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such Member, and the Company shall not be bound to recognize such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators shall have first obtained Probate or Letters of Administration, or Succession Certificate as the case maybe, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration, or Succession Certificate, upon such terms as to indemnity or otherwise, as the Board, in its absolute discretion may think necessary, and under Article 61, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member.

Title to shares of deceased Member.

58. Subject to the provisions of the preceding two articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to

Registration of persons entitled to shares otherwise than



by transfer. give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board think sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder; provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and, until he does so he shall not be freed from any liability in respect of the shares.

Persons entitled may receive dividend without being registered as member. 59. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or moneys as hereinafter provided, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of such shares.

Transfer to be presented with evidence of title. 60. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor his right to transfer the share and generally under and subject to such conditions and regulations as the Board may from time to time prescribe; and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Conditions of registration of transfer. 61. Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer.

Fee on transfer or transmission. 62. No fee shall be paid to the Company, in respect of the transfer or transmission of any number of shares.

The Company not liable for disregard of a notice in prohibiting registration of transfer 63. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title, or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in



some book of the Company; but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

<sup>1</sup>63A. Notwithstanding anything contained in these Articles, the provisions of the Depositories Act, 1996, shall apply in respect of issue, transfer, transmission and other related matters in respect of the shares held by a Member with a Depository.

Transfer, transmission etc. of shares under the Depositories Act, 1996.

#### **COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

64. Copies of Memorandum and Articles of Association of the Company and the other documents referred to in Section 39 of the Act shall be sent by the Company to every Member at his request within seven days of the request on payment of the sum of Rupee one for each copy.

Copies of Memorandum and Articles to be sent by the Company.

#### **BORROWING POWERS**

65. Subject to the provisions of Sections 292 and 293 of the Act and of these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from Members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting, to be obtained by a resolution which shall provide for the total amount upto which moneys may be borrowed by the Board.

Power to borrow.

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

The payment or re-payment of moneys borrowed.

67. Any debentures, debenture-stock and other securities may be

Terms of issue of

<sup>1</sup> As inserted at the Annual General Meeting on August 20, 1998.



debentures. issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges or conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting.

Register of Mortgages etc., to be kept. 68. The Board shall cause a proper Register to be kept in accordance with the provisions of the Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with (within the time prescribed by the said Sections or such extensions thereof as may be permitted by the Court, Company Law Board or the Registrar) as far as they are to be complied with by the Board.

Register and Index of Debenture-holders. 69. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture-holders in accordance with Section 152 of the Act. However, the Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, 1996, shall be deemed to be a Register and Index of Debenture-holders in accordance with Section 152 of the Act.

### CONVERSION OF SHARES INTO STOCK

Shares may be converted into stock. 70. The Company in General Meeting may convert any fully paid up shares into stock, and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as, and subject to which the shares from which the stock arise might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into fully paid up shares of any denomination.

Rights of stock-holders. 71. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the share from which the stock arose; but no such privilege or advantage (except participation in the dividends, and profits of the Company and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred the privilege or advantage.

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<sup>1</sup> As inserted at the Annual General Meeting on August 20, 1998.



## MEETING OF MEMBERS

72. Subject to Section 210 of the Act the Company shall hold its first Annual General Meeting within 18 months from the date of incorporation of the Company, and if such General Meeting is held within that period, it shall not be necessary for the Company to hold any annual general meeting in the year of its incorporation or in the following year, but subject to the aforesaid provisions the annual general meeting shall be so held that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a public holiday and shall be held at the Registered Office of the Company or at some other place as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may by a resolution passed at one Annual General Meeting fix the time for its subsequent Annual General Meetings. Every Member of the Company other than a holder of Preference Shares 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 his as Auditor. At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited Statement of Accounts, Auditor's Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with proxies and Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the meeting. The Board shall prepare the annual list of Members, Summary and Balance Sheet, and forward the same to the Registrar of Companies, in accordance with Sections 159, 161 and 220 of the Act.

Annual or  
Ordinary General  
Meeting. Annual  
Summary.

73. The Board of Directors, may whenever it thinks fit call an Extra - ordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding the aggregate of not less than one-tenth of the paid-up Capital upon which all calls or other sums then due have been paid.

Extraordinary  
General Meeting.

74. The 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 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.

75. Upon the receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting, and if they do not

On receipt of  
requisition,



Directors to call meeting and in default requisitionists may do so.

proceed within twenty-one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not later than 45 days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Section 169(4) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

Meeting called by requisitionists

76. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

Twenty-one days notice of meeting to be given.

77. Twenty-one days' notice, at the least of every General Meeting, Annual or Extra-ordinary and by whomsoever called, specifying the day, place and hour of meeting and the general nature of business to be transacted thereof, shall be given in the manner hereinafter provided to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the Members entitled to vote there at, and in the case of any other meeting with the consent of Members holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting if any business other than (i) the consideration of the accounts, balance sheets and reports of the Board of Directors and Auditors (ii) the declaration of dividend (iii) the appointment of Directors in place of those retiring (iv) the appointment of, and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other meeting in any event 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 of the concern or interest, if any, therein of every Director and the Manager (if any). Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid. Provided that where any item of special business as aforesaid to be transacted at a meeting relates to, or affects, any other Company, the extent of the shareholding interest in that other Company of every Director, and manager, if any, of the Company shall also be set out in the statement but only if the extent of such shareholding or interest is not less than twenty per cent of the paid-up share capital of that other Company.

Omission to give notice not to

78. The accidental omission to give any such notice as aforesaid to any of the Members or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.



79. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notices upon which it was convened.

invalidate  
resolution passed.  
Notice of business  
to be given.

80. Five Members present in person shall be quorum for a General meeting. A corporation being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. The President of India or the Governor of the State shall be deemed to be personally present if he is represented in accordance with Section 187A of the Act.

Quorum at  
General Meeting.

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

If quorum not  
present Meeting  
to stand dissolved,  
or adjourned.

82. The Chairman of the Board of Directors or in his absence the Vice Chairman shall be entitled to take the chair at every general meeting, whether annual or extra-ordinary. If either the Chairman or Vice Chairman of the Board of Directors is not present at any meeting within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors may choose a Chairman or the Members present shall choose one of the Directors to be the Chairman and if no Director present be willing to act, then the Members present shall choose one of their Members to be the Chairman.

Chairman of  
General Meeting.

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

Business  
Confined to  
election of  
Chairman whilst  
the chair is  
vacant.

84. The Chairman with the consent of the meeting may and shall if so directed by the meeting adjourn any meeting from time to time and

Chairman with  
consent may

<sup>1</sup> As amended at the 23<sup>rd</sup> Annual General Meeting held on 20.12. 1984



adjourn Meeting. from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Subject to provisions of the Act it shall not be necessary to give any notice of an adjournment or of the date, the time or the place of the adjourned meeting or of the business to be transacted thereat.

Question at 85. At any General Meeting a resolution put to the vote of the meeting General shall be decided on a show of hands, unless a poll is (before or on the Meeting how declaration of the result of the show of hands) demanded by at least five decided. Members having the right to vote on the resolution and present in person or by proxy; or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid-up which is not less than one-tenth of the total sum paid up on all the shares conferring that right, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

Chairman's casting vote. 86. In the case of an equality of votes the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.

Poll to be taken if demanded. 87. If a poll is demanded as aforesaid the same shall subject to Article 89 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place and either by open voting or by ballot as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Scrutineers at a poll. 88. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from the office and fill vacancies in the office of scrutineer arising from such removal or from any other cause

In what case poll taken without adjournment. 89. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.



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

Demand for poll not to prevent transaction of other business.

<sup>1</sup>90A. Notwithstanding anything contained in Article 85 of these Articles, the Company, in case of resolutions relating to such business as the Central Government may, by notification declare to be conducted only by postal ballot, shall get such resolution passed by means of postal ballot, instead of transacting the business in general meeting of the Company, subject to the provisions of Section 192A of the Act and applicable rules as may be prescribed from time to time.

Passing of resolution by postal ballot.

### VOTES OF MEMBERS

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

Members in arrears not to vote.

92. Subject to the provisions of these Articles, every Member, not disqualified by the last preceding Articles shall be entitled to present, and to speak and vote at such meeting, and on a show of hands every Member present in person shall have one vote and upon a poll every Member present in person or by proxy shall have one vote for every share held by him either alone or jointly with any other person or persons. Provided that the holders of preference shares shall have no right to be present or to vote either in person or by proxy at any general meeting by or in respect of their holding preference shares save to the extent and in the manner provided in clause (b) of Sub-Section (2) of Section 87 of the Act.

Number of votes to which Member entitled.

93. 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.

94. 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 poll, vote by proxy; if any Member be a minor, the vote in respect of his share or shares shall be by this guardian, or any one of his guardians

Voting by Members of unsound mind and minors.

<sup>1</sup> As inserted at the Extra Ordinary General Meeting on March 26, 2002.



if more than one, to be elected in case of dispute by the Chairman of the meeting.

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

Voting in person or by proxy. 95. Subject to the provisions of these Articles, a corporation being a member may vote by any proxy or representative duly authorized in accordance with Section 187 of the Act and such representative shall be entitled to speak, demand a poll, vote, appoint a proxy and in all other respect, exercise the rights of an individual Member and shall be reckoned as a Member for all purposes. The President of India or Governor of a State if he is a Member of the Company, may act and vote at any meeting through any person appointed by him as his representative under Section 187A of the Act and the person so appointed shall be deemed to be a member and shall be entitled to execute the same rights and powers (including the right to vote by proxy) as the President or the Governor could exercise as a member of the Company.

Vote in respect of shares of deceased and insolvent. 96. Any person entitled under Article 57 to transfer any shares 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 forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Appointment of proxy. 97. Subject to the provisions of the Act, votes may be given either personally or by proxy. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or the hand of its Attorney, who may be the appointee, and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.

Proxy either for 98. An instrument of proxy may appoint a proxy either for the



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

specified meeting or for a period.

100. No Member present only by proxy shall be entitled to vote on a show of hands, unless such member is a Corporation present by a proxy who is not himself a Member or a person appointed for the purpose by the President of India or the Governor of a State under Section 187A of the Act in either which cases such proxy shall have a vote on the show of hands as if he were a Member.

No proxy except for a Corporation to vote on a show of hands.

101. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the office not later 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.

Deposit of instrument of appointment.

102. Every instrument of proxy whether for a specified meeting or otherwise, shall, as nearly as circumstances will admit, be in any of the form set out in Schedule IX of the Act.

Form of Proxy.

103. A vote given in accordance with the terms of an instrument or proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

Validity of votes given by proxy notwithstanding death of Member.

104. 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 of votes.

105. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Chairman of any Meeting to be the Judge of validity of any vote.

106. The Company shall cause to be kept minutes of all proceedings of general meeting, which shall contain a fair and correct summary of the proceedings thereat and a book containing such minutes shall be kept at the Registered Office of the Company and shall be open, during business hours, for such periods, not being less

Minutes of General Meeting and inspection thereof by



members.

in the aggregate than two hours in each day as the Directors may determine, to the inspection of any Member without charge. The minutes aforesaid shall be kept by making, within thirty days of the conclusion of every such meeting concerned, entries thereof in the said book which shall have its pages consecutively numbered. Each page of the book shall be initialed or signed and the last page of the record of the proceedings of each meeting in the book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman within that period, by a Director duly authorised by the Board for that purpose. In no case shall the minutes be attached to any such book by pasting or otherwise. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting (a) is, or could be regarded as defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interest of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds. The minutes kept in accordance with the aforesaid provisions shall be conclusive evidence of the proceedings recorded therein.

### DIRECTORS

Number of Directors. 107. Until otherwise determined by a General Meeting and subject to Section 252 of the Act the number of Directors shall not be less than three nor more than twenty excluding any Debenture Director or Director appointed by Government or Public Corporation. The first Directors of the Company shall be :-

- (1) W. M. Harrison.
- (2) R. Hatchitt.
- (3) John T. Hanou.
- (4) C. B. White.
- (5) S. L. Kirloskar.
- (6) C. S. Kirloskar.
- (7) N. W. Gurjar.

The first Chairman of the Board shall be Shri. S. L. Kirloskar, who shall continue, in office until otherwise resolved by the Board.

Debenture Directors.

108. Every person (other than a Director re-appointed after retirement by rotation or immediately after expiry of the term of his office or an additional or an alternate Director or a person filling a



casual vacancy or other than a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the Office of a Director) proposed as a candidate for the office of a Director shall sign, and file with Company his consent in writing to act as a Director, if appointed and a person other than a Director re-appointed after retirement by rotation shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar, his consent in writing to act as such Director. If it is provided by any Trust Deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in the case of any and every such issue of debentures the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is or are vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be liable to retire by rotation. A Debenture Director shall not be bound to hold any qualification shares.

<sup>1</sup> Article 108A

“Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India (ICICI), and Life Insurance Corporation of India (LIC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any other Financing Company or Body (each of which IDBI, IFCI, ICICI, LIC and UTI or any other Financing Corporation or Credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as “the Corporation”) continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time, (which Director or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or

<sup>1</sup> Additional Art. 108A approved in the 17<sup>th</sup> Annual General Meeting held on 12<sup>th</sup> March, 1979



their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall *ipso facto* vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures / shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.

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

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

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

Provided also that in the event of the Nominee Director/s being appointed as whole-time Director/s such Nominee Director shall exercise such powers and duties as may be approved by the Lenders and have

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Authorised Signatory



such rights as are usually exercised or available to a whole-time Director, in the management of the affairs of the Borrower. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.”

109. The Board may appoint an Alternate Director to act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held. An alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of office of the Original Director is determined before he so returns to the State, any provision in the Act or in these Articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Appointment of Alternate Directors.

110. Subject to the provisions of Section 260, 261, 262, 264 and 284 (6) of the Act, the Board shall have power, at any time, and from time to time to appoint any other person to be a Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum fixed as above.

Directors may fill up vacancies and add to their number.

111. No share qualification shall be necessary for any Director.

Qualification of Directors

<sup>1</sup>112. The remuneration of each Director inclusive of special Directors shall be at such rate for each meeting of the Board or Committee of the Board Attended by him as the Board may from time to time determine not exceeding the amount fixed by the Central Government under the Companies Act, 1956 for each such meeting attended by him. If any Director being willing, shall 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) or to travel on the Company’s business, the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by way of a daily allowance or payment of a lumpsum of money or otherwise as they may think fit.

Remuneration of Director.

113. The Board may allow and pay to any Director, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses incurred for the purpose of attending Board meetings, in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the town where he normally resides on the Company’s business he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.

Travelling expenses incurred by Directors.

<sup>1</sup> As amended at the Annual General Meeting held on 10.1.1989



Remuneration of the members of the Board or Committee thereof 114. The Board may subject to the provisions of Section 198, 309, 310, 311 and all other applicable provisions of the Act fix the remuneration as commission or otherwise payable on monthly, quarterly or annual basis to any Director(s) who is/are not in the whole-time employment of the Company or to any member(s) of any committee of Directors appointed by the Board in terms of these Articles and may pay the same.

Directors may act notwithstanding a vacancy. 115. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the minimum number fixed by Article 107 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting, but for no other purpose.

When office of Directors to become vacant. 116. Subject to Sections 283 (2) and 314 of the Act, the office of a Director shall become vacant if :

(a) he is found to be of unsound mind by a Court of competent jurisdiction; or

(b) he applies to be adjudicated an insolvent; or

(c) he is adjudged an insolvent; or

(d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the date fixed for the payment of such calls, unless the Central Government has, by Notification in the Official Gazette, removed the disqualification incurred by such failure; or

(e) he without the sanction of a special resolution of the Company in General meeting accepts or holds any office of profit under the Company other than that of Managing Director, Banker or Trustee for the holders of debentures of the Company or any subsidiary of the Company unless the remuneration received from such subsidiary in respect of such office or place is paid over to the Company. Provided that it shall be sufficient if the special resolution according consent of the Company is passed at the General Meeting of the Company held for the first time after the holding of such office or place of profit.

(f) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without leave of absence from the Board; or

(g) he becomes disqualified by an order of Court under Section 203 of the Act; or

<sup>1</sup> As amended at the Annual General Meeting held on 13.09.2002



- (h) he removed in pursuance of Section 284 of the Act; or
- (i) he (whether by himself or by any person for his benefitor on this account) or any firm in which he is a partner or any private Company of which he is a Director, accepts, a loan, or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
- (j) he acts in contravention of Section 299 of the Act; or
- (k) he is convicted by a Court of any offence involving moral
- (l) turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
- (m) by notice in writing to the Company, he resigns his office; or
- (n) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.

117. A Director or his relative, a firm in which such Director or relative is a partner, any other partner in such firm, or a private Company of which the Director is a Member or Director may enter into any contract with the Company for the sale, purchase or supply of goods, material, services or for underwriting the subscription of any shares in or debentures of the Company, provided the sanction of the Board is obtained at a resolution passed at the meeting of the Board before the date on which the contract is entered into or within three months thereof in accordance with Section 297 of the Act. No sanction, however, shall be necessary to any such contract for the sale or purchase of goods or material to or from the Company by the Director, relative, firm, partner or Company (as the case may be) for cash at prevailing market prices or for the sale, purchase or supply of goods, material or services in which either the Company or such person, firm or Company regularly trades or does business provided that in either case, the value of such goods and material or the cost of such services does not exceed Rupees Five thousand in the aggregate in any calendar year comprised in the period of the contract. The Director, so contracting or being so interested, shall not be liable to the Company for any profit realized by any such contract by reason of such Director holding that office or the fiduciary relation thereby established but it is declared that the nature of his interest must be disclosed by him at a meeting of the Board at which the contract is considered, if his interest then exists, or in any other case at the first meeting of the Board after the acquisition of his interest. Provided however that a Director, relative, firm, partner or Company as aforesaid may, in the circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase

Director may contract with Company.



or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds, Rupees Five thousand in the aggregate in any year comprised in the period of contract, but in such a case, the consent of the Board shall be obtained at a meeting within 3 months of the date on which the contract was entered into. The Company shall obtain the approval of the Central Government, if necessary, in accordance with proviso to sub-Section (1) of Section 297 of the Act.

Disclosure of interest.

118. For the purposes of the last preceding Article, a general notice given to the Board by a Director to the effect that he is a Director or a Member of a specified body corporate or is a Member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further periods of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof, shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given. Nothing in this Article or in the preceding Article, in so far as either of them incorporates the provisions of Section 299 of the Act, shall apply to any contract of arrangement saved by sub-Section (6) of Section 299 of the Act.

Interested Director not to participate in Board's proceedings.

119. No Director shall as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided that the Board or any of its members may vote on any contract of indemnity against any loss which it or any one or more of its members may suffer by reason of becoming or being surety or sureties for the Company. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company, in which the interest of the Director aforesaid consist solely in his being a Director of such Company and the holder of not more than shares of such number or value therein, as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by this Company or in his being a member holding not more than two per cent of its paid-up share capital. This Article is subject to the provisions of sub-section (2) (e) of Section 300 of the Act.

Register of Contract which

120. The Company shall keep a register in accordance with Section 301 of the Act and shall enter therein such of the particulars as may be relevant having regard to the application thereto, of Section 297 or



Section 299 of the Act as the case may be. The register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under the preceding two Articles. Nothing in this Article shall apply to any case to which Sub - Section (3A) of Section 301 applies or to any contract or agreement for the sale, purchase or supply of any goods, materials or services if the value of such goods or materials or the cost of such services does not exceeds Rupees one thousand in the aggregate in one year. The register shall be kept at the Registered Office of the Company; and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any Member of the Company to the same extent, in the same manner and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.

Directors are interested.

121. A Director may be or become a Director of any Company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 309 (6) or Section 314 of the Act may be applicable.

Directors may be Directors of Companies promoted by the Company.

122. Subject to the provisions of Articles 107, 108 and 134 at every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire. In the following Articles, "retiring Directors" means a Director retiring by rotation.

Retirement and rotation of Directors.

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

Ascertainment of Directors retiring by rotation and filling of vacancies.

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

Eligibility for re-election.

125. Subject to Section 258 of the Act the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

Company to appoint successors.

126. (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same

Provisions in default of appointment



time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.

(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless,

(i) at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost; or

(ii) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so re-appointed; or

(iii) he is not qualified or is disqualified for appointment; or

(iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or

(v) the proviso to sub-Section (2) of Section 263 of the Act, is applicable to the case.

Company may increase or reduce number of Directors. 127. Subject to Section 258 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been so removed.

Notice of Candidature for office of Director except in certain case. 128. (a) No person, not being a retiring Director, shall be eligible for election to the office of Director at any General Meeting, unless he or some other Member intending to propose him has, and at least fourteen clear days before the meeting, left at the office a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him and unless he has by himself or by his agent authorized in writing, signed and filed with the Registrar of Companies a consent in writing to act as such Director.

(b) On the receipt of the Notice referred to in clause (a) of this Article, the Company shall inform its Members of the candidature of a person for the office of Director or the intention of a member to propose such person as a candidate for that office, by serving individual notices on the Members not less than seven days before the meeting, provided that it shall not be necessary for the Company to serve individual notices upon the Members if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers



circulating in Pune of which one is published in the English language and the other in the regional language.

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

Register of Directors, etc.

(b) The Company shall in respect of each of its Directors, and Managers also keep at its Registered Office a Register, as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said section in all respect.

Register of shares or debenture held by Directors.

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

Disclosure by a Director of appointment to any other body corporate.

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

Disclosure by a Director of his holdings of shares and Debenture of the Company etc.

### MANAGING DIRECTORS

131. Subject to the provisions of Sections 197A, 267, 268, 269, 309, 310, 311 of the Act, the Board of Directors shall have power to appoint and to re - appoint and, from time to time to remove one or more persons as Managing Director of the Company. Upon such Managing Directors or either of them ceasing from any causes whatsoever to be Directors of the Company then and also upon any subsequent vacancy occurring the Board of Directors may appoint some suitable and competent person or persons in the employ and experienced in the business of the Company to fill the vacancy or vacancies thereby caused. The person or persons from time to time appointed to fill such vacancies shall also be appointed a Managing Director or Managing Directors for a fixed term not exceeding five years at a time and upon such terms as the Board of Directors think fit, and subject to the provisions of Section 292 of the Companies Act, the Board of Directors may by resolution vest in such Managing Director or Managing Directors such of the powers vested in the Board of Directors generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject and subject to such restrictions and generally upon such terms as to remuneration and

Board of Directors may appoint Managing Directors.



otherwise a it may determine. The remuneration of a Managing Director may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes.

Management. 132. The Managing Director or Managing Directors shall not exercise the powers to :-

- (1) make calls on shareholders in respect of moneys unpaid on the shares in the Company.
- (2) issue debentures and
- (3) except as may be delegated by the Board under Section 292 of the Act, invest the funds of the Company, or make loans and borrow moneys.

Certain persons not to be appointed Managing Directors. 133. The Company shall not appoint or employ, or continue the appointment or employment of, any person as its Managing or Whole-time Director who:

- (a) is an undischarged insolvent, or has at any time been adjudged an insolvent;
- (b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them; or
- (c) is, or has at any time been, convicted by a Court of an offence involving moral turpitude.

Special position of Managing Directors. 134. Subject as hereinafter provided, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation in accordance with Article 122. If he ceases to hold the office of Director he shall *ipso-facto* and immediately cease to be a Managing Director. Provided that if at any one time the number of Managing Directors shall exceed one-third of the total number of the Directors for the time being then such number of the Managing Directors as shall be in excess of such one-third shall be liable to retirement by rotation in accordance with Article 122 and for the purposes of this provision the Managing Directors not liable to retire by rotation shall be the senior Managing Directors or such number of the senior Managing Directors as shall not exceed the said one-third.

### PROCEEDINGS OF THE BOARD OF DIRECTORS

Meetings of Directors. 135. The Directors may meet together as a Board for the dispatch of business from time to time and (unless the Central Government, by virtue of the Proviso to Section 285 of the Act, otherwise directs) shall so meet at least once in every three calendar months with a maximum time gap not exceeding four months between any two meetings and they may

<sup>1</sup> As amended at the Extra Ordinary General Meeting on March 26, 2002.



adjourn and otherwise regulate their meetings as they think fit, provided that at least four such meetings shall be held in every year.

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

Quorum.

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

Adjournment of meeting for want of quorum.

138. A Director may at any time and the Secretary of the Company shall upon the request of a Director convene a meeting of the Board by giving a notice in writing to every Director for the time being in India, and at his usual address in India to every other Director.

When meeting to be convened.

<sup>1</sup>139. The Directors shall elect from among themselves Chairman and Vice Chairman of the Board for such period as the resolution appointing them may specify. All meetings of the Directors shall be presided over by the Chairman or in his absence by the Vice Chairman. If, at any meeting of the Directors, the Chairman is not present at the time appointed for holding the same, the Vice Chairman shall preside over the meetings of the Directors. If both the Chairman and Vice Chairman are not present for presiding over the meetings of the Directors as aforesaid, the Directors shall choose one of the Directors then present to preside at the meeting.

Chairman.

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

Questions at Board Meeting how decided.

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

Powers of Board Meeting.

142. Subject to the restrictions contained in Section 292 of the Act, the Board may delegate any of its powers to a Committee of Directors consisting of such Director or Directors or one or more Directors and a

Directors may appoint committees

<sup>1</sup> As amended at the 23<sup>rd</sup> Annual General Meeting held on 20.12.1984



and delegate its powers. Member or Members of the Company as it thinks fit or to the managing directors, the manager or any other principal officer of the Company or a branch office or to one or more of them together and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part, and either as to persons or purposes; but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Provided that such delegation shall not be in respect of matters enumerated in sub-clauses (a), (b), (c), (d) or (e) of clause (1) (as modified by Explanation II thereof) of Section 292 save and except that the said powers may be delegated only to the extent permitted by and subject to the restrictions and limitations contained in clauses (2), (3) and (4) of Section 292.

Meeting of Committee, how to be governed. 143. The meetings and proceedings of any such Committee of the Board consisting of two or more Members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Resolution by Circular. 144. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the Members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or Members of the Committee, at their usual address in India and has been approved by such of the Directors or Members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

Acts of Board or Committees valid notwithstanding informal appointment. 145. 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 Directors 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 and had not vacated his office or his appointment had not been terminated. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Minutes of proceedings of meeting of 146. The Company shall cause minutes to be duly entered in a book or books provided for the purpose :



(i) of the names of the Directors present at such meetings of the Board, and of any Committee of the Board;

Directors and Committees to be kept.

(ii) of all orders made by the Board and Committee of the Board;

(iii) of all resolutions and proceedings of meetings of the Board and Committees of the Board; and

in the case of each resolution passed at a meeting of the Board or Committees of the Board the names of those Directors, if any, dissenting from or not concurring in the resolution.

Every such book shall be maintained and the minutes entered therein within thirty days and signed in the manner laid down by Article 106 and the minutes so entered and signed shall be received as conclusive evidence of the proceedings recorded therein.

### POWERS OF DIRECTORS

147. The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulation being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting -

Powers of Directors.

(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than the one undertaking of the whole, or substantially the whole of any such undertaking;

(b) remit, or give time for the repayment of, any debt due by a Director;

(c) invest otherwise other than in trust securities the amount of compensation received by the Company in respect of compulsory acquisition of such undertaking as is referred to in clause (a), or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;

(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company, (apart from temporary loans obtained from the Company's bankers in the ordinary course of



business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose;

(e) contribute (subject to the limits laid down by Section 293 of the Act) to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately proceeding whichever is greater:

Provided that the powers specified in Section 292 of the Act shall subject to these Articles be exercised only at meetings of the Board, unless the same be delegated to the extent therein stated;

Provided further that in respect of the matter referred to in clauses (d) and (e) such consent shall be obtained by a resolution which shall specify the total amount upto which money may be borrowed by the Board under clause (d) or the total amount which may be contributed to a charitable or other fund in any financial year under clause (e);

Provided further that "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of Bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.

Certain powers of the Board. 148. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the other powers conferred by those Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say –

- (1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereat under the provisions of Sections 76 and 208 of the Act.
- (3) Subject to Sections 292 and 297 of the Act to purchase or otherwise acquire for the Company and property, rights, or privileges which the Company is authorized to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to



accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

- (4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (6) To accept from any Member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- (7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes, and to execute and do all such deeds, and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.
- (8) To institute, conduct, defend, compound, or abandon, any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company and to refer any differences, to arbitration either according to Indian law or according to any foreign law and either in India or abroad, and observe, perform or challenge any awards made thereon.
- (9) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (10) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (11) Subject to the provisions of Sections 292, 293 (1) (a), 295, 369, 370, 372 and 373 and of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from



time to time to vary or realize such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.

- (12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (13) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents, and to give the necessary authority for such purpose.
- (14) To distribute by way of bonus amongst the staff of the Company a share of shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company.
- (15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and the wives, widows, and families, or the dependents or connections of such persons by building, or contributing to the building of houses, dwellings, or chawls, or by grants of money, pension gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance (subject to the limits laid down by Section 293 of the Act as the Board shall think fit and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, or other institutions, bodies and objects which shall have any moral or other claim to support of aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise.
- (16) Before recommending any dividend, to set a side, out of the profits of the Company such sums as they may think proper for depreciation or to the Depreciation Fund, or to Insurance Fund, or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debenture, or debenture-stock, or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the



Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such, investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board, in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special fund as the Board may think fit with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of debenture or debenture-stock, and without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum.

- (17) To appoint at their discretion, remove or suspend such General Managers, Managers, Secretaries, Assistants, Supervisors, Scientists, Technicians, Engineers, Consultants, Legal, Medical or Economic Advisors, Research Workers, Labourers, Clerks, Agents and Servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in four next following sub-clauses shall be without prejudice to general powers conferred by this sub-clause.
- (18) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.
- (19) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified



locality in India or elsewhere and to appoint any persons to be Members of such Local Boards, and to fix their remuneration.

(20) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys; and to authorize the Members for the time being of any such Local Board, or any of them to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board think fit and may at any time remove any person so appointed, and may annual or vary such delegation.

(21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in and exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board think fit) be made in favour of the Members or any of the Members of any Local Board established as aforesaid or in favour of any Company or the share holders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of the persons dealing with such Attorney as the Board may think fit and contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

(22) Subject to Sections 294, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

(23)<sup>1</sup> Subject to Section 77A(2)(b) determine and approve the buy-back of shares or other specified securities not exceeding 10% or such other percentage as may be prescribed of total paid up equity capital and/or free reserves of the Company.

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<sup>1</sup> As inserted at the Extra Ordinary General Meeting on March 26, 2002.



## EXECUTIVE COMMITTEE

149. The Directors may, if they so desire from time to time, appoint an Executive Committee consisting of not less than three and the following provisions shall apply thereto, that is to say :

- (a) The Directors may from time to time determine who shall be Members of the Executive Committee.
- (b) Subject to the provisions of the Act, the Directors may, at any time and from time to time, make such regulations as they may think expedient in regard to the Executive Committee and in particular in regard to its powers and duties.
- (c) Two Members of the Executive Committee or one-third the number thereof, whichever is less, shall form a quorum and shall be competent to exercise all or any of the powers and duties vested in the Executive Committee by the Directors.
- (d) Subject to any regulations made by the Directors and subject to the provisions thereof, the Executive Committee shall make such regulations at it thinks fit regarding its own meetings and proceedings. Minutes of all meetings or proceedings of the Executive Committee shall be placed before the Board at the next convenient meeting thereof.
- (e) Subject to the provisions of the Act, the Directors, may from time to time fix and determine the remuneration to be paid to each member of the Executive Committee and such remuneration may, subject as aforesaid, be by way of salary, commission, or participation in profits or otherwise, or by all or any of those modes, and shall be in addition to any member of the Executive Committee as a Director or otherwise under the provisions of these Articles.

<sup>1</sup>149A. The Directors may constitute, reconstitute, revoke and discharge, from time to time, the Audit Committee, Shareholders/Investors Grievance Committee, Remuneration Committee and/or such Committees as may be prescribed by SEBI/Stock Exchanges or otherwise and appoint from amongst themselves such number of Directors as Members, delegate the functions and powers and make such regulations in this regard as it may deem fit.

## THE SECRETARY

150. The Directors may from time to time appoint, and at their discretion, remove, a person (hereinafter called the Secretary) to perform any functions which by the Act or the Articles for the time

True Copy  
For Cummins India Limited  
  
Authorised Signatory

Secretary.



<sup>1</sup> As inserted at the Extra Ordinary General Meeting on March 26, 2002.

being of the Company are to be performed by the Secretary and to execute any other duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company.

### THE SEAL

The Seal, its custody and use. 151. (1) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given and in the presence of a Director of the Company or some other person appointed by the Directors for the purpose.

(2) The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

Deed how executed. 152. Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall unless the same is executed by a person appointed by the Directors for the purpose, be signed by Managing Director or by two Directors, provided nevertheless that certificates of shares shall be sealed as provided as per the Articles in that regard hereinbefore contained and in accordance with the Companies (Issue of Share Certificates) Rules, 1960.

### DIVIDENDS

Division of profits. 153. The profits of the Company, subject to any special rights relating thereto created or authorized to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the Members in proportion to the amount of capital paid-up on the shares held by them respectively.

The Company in General Meeting may declare a Dividend. 154. The Company in General Meeting may declare dividends to be paid to Members according to their respective rights but no dividends shall exceed the amount recommended by the Board but the Company in General Meeting may declare a smaller dividend.

Dividend to be paid only out of profits. 155. The declaration of the Board as to the amount of the profits of the Company shall be conclusive. Where a dividend has been declared, either the dividend shall be paid or the warrant in respect thereof shall be posted to the share holder entitled to the payment of the dividend within thirty days from the date of the declaration of the dividend.

<sup>1</sup> As amended at the Extra Ordinary General Meeting on March 26, 2002.



156. The Board may, from time to time, pay to the Members such interim dividend as in their judgment the position of the Company justifies. Interim dividend.
157. Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits. Capital paid up in advance at interest not to earn dividend.
158. The Company shall pay dividends in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others. Dividends in proportion to amount paid up.
159. The Board may retain the dividends payable upon shares in respect of which any person is, under Article 60 entitled to become a Member or which any person under that Article is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same. Retaining of dividends until completion of transfer under Articles.
160. No member shall be entitled to receive payment of any interest or dividend and/or bonus in respect of his share or shares whilst any money be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either along or jointly with any other person or persons; and the Board may deduct from the interest or dividend and/or bonus payable to any Member all sums of money so due from him to the Company. No member to receive dividend whilst indebted to the Company.
161. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer. Transfer of shares must be registered.
162. Unless otherwise directed any dividend may be paid by cheque or warrant or by payslip or receipt having the force of a cheque or warrant sent through the post to the registered address of the Member or person entitled or in case of joint holders to that one of them first named in the Register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means. If two or more persons are registered as joint holders of any share or shares any one of them can give effectual receipts for any moneys payable in respect thereof. Dividends how remitted.
163. The Company shall comply with the requirements of Section 205A of the Act regarding unclaimed dividends. Except as provided by Unclaimed dividend.



Section 205A of the Act, no dividend shall carry interest as against the Company.

Special provisions in reference to dividends. 164. Any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend wholly or in part by the distribution of paid-up shares of the Company and the Board shall give effect to such direction, and where any difficulty arises in regard of the distribution they may settle the same as they think expedient and in particular may issue fractional certificates, and may determine that cash payment shall be made to any Members upon the footing of the value so fixed in order to adjust the right of all parties, and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividends as may seem expedient to the Board. Where requisite, the Directors shall comply with Section 75 of the Act, and the Directors may appoint any person to sign any contract thereby required on behalf of the persons entitled to the dividends and such appointment shall be effective.

Dividend and call together. 165. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the meeting fixes, but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the Members; be set off against the calls.

Capitalisation 166. (a) The Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to credit of the Reserve Fund, or any Capital Redemption Reserve Fund, or in the hand of the Company and available for dividend (or representing Premiums received on the issue of shares and standing to the credit of the Share Premium Account) be capitalized and distributed amongst such of the share holders as would be entitled to receive the same if distributed by way of dividend and in the same proportion on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

(b) General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the Members on the footing that they receive the same as capital.

(c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty



which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any Members upon the footing of the value so fixed or that fractions of less value than Rs.10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for Registration in accordance with Section 75 of the Companies Act, 1956, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

### ACCOUNTS

167. The Company shall keep at the office or at such other place in India as the Board thinks fit, proper books of account in accordance with Section 209 of the Act with respect to : Directors to keep true accounts.

(a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;

(b) all sales and purchases of goods by the Company; the assets and liabilities of the Company.

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors decides, the Company shall, within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

168. When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months, are sent by branch office to the Company at its Registered Office or other place in India, at which the Company's Books of Account are kept as aforesaid. Summarized returns of Branch Offices to be mentioned.

169. (a) The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction and shall be open to inspection by any Director during business hours. Books to show true and fair view of the Company's affairs.

(b) The Books of Account and other books and papers shall also be open to inspection of the Registrar or other persons authorized by the Central Government pursuant to the provisions in that regard contained in the Section 209A of the Act.



(c) The Books of Account of the Company relating to a period not less than 8 years immediately preceding the current year together with vouchers relevant to any entry in such books of account shall be preserved in good order.

As to inspection of accounts or books by Members.

170. The Board shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except so conferred by law or authorized by the Board or by the Company in General Meeting.

Statements of Accounts to be furnished to General Meeting.

171. The Directors shall from time to time, in accordance with Section 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Accounts and Reports as are required by these sections, and by the form set out in part I of Schedule VI of the Act.

Accounts to be sent to each member.

172. A copy of every such Profit and Loss Account and Balance Sheet (including the Auditor's Report and every other document required by law to be annexed or attached to the Balance Sheet) shall at least twenty-one days before the meeting at which the same are to be laid before the Members, be sent to the Members of the Company, to holders of debentures issued by the Company (not being debentures which ex facie are payable to the bearer thereof), to trustees for the holders of such debentures and to all persons entitled to receive notices of General Meeting of the Company.

## AUDIT

Account to be audited.

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

First Auditors to be appointed by the Board.

174. The first Auditor or Auditors of the Company shall be appointed by the Board within one month of the date of registration of the Company, and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting provided that the Company may, at a General Meeting remove any such Auditor or all of such Auditors and appoint in his or their place or places any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the Members of the Company not less than fourteen days before the date of meeting; Provided further that if the Board fails to exercise its powers under this Article, the Company in General Meeting may appoint the first Auditor or Auditors.



175. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Wherever any such error is discovered with that period, the account shall forthwith be corrected, and thenceforth, shall be conclusive.

Accounts when audited and approved to be conclusive except as to error discovered within three months.

## DOCUMENTS AND NOTICES

176. (1) A document or notice may be served or given by the Company on any Member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notice on him.

Service of documents or notices on Members by Company.

(2) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the document or notice, provided that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member and such service shall be deemed to have been effected in the case of a Notice of a Meeting at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

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

By advertisement.

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

On joint holders.

179. A document or notice may be served or given by the Company on or to the person entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purposes by the persons

On personal representatives etc.



claiming to be so entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

To whom documents or notices must be served or given. 180. Documents and notices of every General Meeting shall be served or given in some manner hereinbefore authorized on or to (a) every Member, (b) every person entitled to a share in consequence of the death or insolvency of a Member and (c) the auditor or auditors for the time being of the Company. Provided that when the notice of the meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company under the Article 177, the statement of the material facts referred to in Article 77 need not be annexed to the notice, as required by that Article but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

Member bound by documents as notices served on or given to previous holder. 181. Every person, who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such share, which previously to his name and address being entered in the Registrar of Members, shall have been duly served on or given to the person from whom he derives title to such shares.

Document or notice by Company and signature thereto. 182. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorized by the Board of Directors for such purpose and the signature thereto may be written, printed and lithographed.

Service of document or notice by Member. 183. All documents or notices to be served or given by Members on or to the Company or any officer thereof shall be served or given by sending it to the Company or officer at the office by post under a certificate of posting or by registered post, or by leaving it at the office.

#### WINDING UP

Liquidator may divide assets in specie. 184. The Liquidator on any winding up (whether voluntary, under supervision, or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustee upon such trusts for the benefit of the contributories as the Liquidator with the like sanction shall think fit.

#### INDEMNITY AND RESPONSIBILITY

Directors' and 185. Save and except so far as the provisions of this Article shall be



avoided by Section 201 of the Act, the Board of Directors, Managers, Auditors, Secretary, and other officers or servants for the time being of the Company and the Trustees (if any) for the time being acting in relation to any of the affairs of the Company, and every one of them and one of their heirs, executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through or by either own willful neglect or default respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out of invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto except the same shall happen by or through their own willful neglect or default respectively.

others' right to indemnity.

186. No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

Secrecy clause.

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Names, addresses, descriptions and occupations of Subscribers.	Number of shares taken by each Subscriber	Witness to signature
(Sd/- S. L. Kirloskar) Shantanu Laxman Kirloskar Industrialist "Lakaki" Shivajinagar, Poona-5 Son of Laxman Kashinath Kirloskar	One equity	S. N. Wakhariya, Solicitor, Bombay, C/o M/s. Little & Co. Central Bank Building, 3 <sup>rd</sup> Floor, Mahatma Gandhi Road, Bombay-1.
(Sd/- C. S. Kirloskar) Chandrakant Shantanu Kirloskar Executive, "Lakaki" Shivajinagar, Poona-5 Son of Shantanu Laxman Kirloskar	One equity	
(Sd/- M. S. Rau) M. Suryanarayan Rau Service, 38/11 Prabhat Road, Poona-4 Son of Thimmappaya	One equity	
(Sd/- J. S. Bapasola) J. S. Bapasola, Attorney, 10, Setalwad Road, Bombay-6, Son of Sorabji Bapasola	One equity	
(Sd/- N. B. Vakil) N. B. Vakil, Attorney, 60, Nepean Sea Road, Bombay, Son of Behram A. Vakil	One equity	
(Sd/- D. P. Mehta) D. P. Mehta, Attorney, Marine Chambers, Marine Lines, Bombay-1 Son of Phirozeshaw Mehta	One equity	
(Sd/- N. K. Prasad) N. Krishnaprasad Service, 1229 Deccan Gymkhana, Poona-4, Son of N. Gopalkrishna	One equity	
	SEVEN Equity	Total

Dated this 14<sup>th</sup> day of February, 1962.

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