VIDEOCON INDUSTRIES LIMITED

CIN: L99999MH1986PLC103624
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NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013)

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) that the Resolutions appended below are proposed to be passed as Special Resolutions, by way of Postal Ballot.

A Statement under Section 102 of the Companies Act, 2013, pertaining to the said Resolutions, setting out material facts and the reasons thereof is annexed hereto alongwith a Postal Ballot Form for your consideration.

Members' assent/dissent is requested for the proposals contained in the Special Resolutions appended below.

The Board of Directors of the Company have appointed Mrs. Gayathri R. Girish, Practicing Company Secretary, as Scrutinizer for conducting the postal ballot (Physical & E-voting) process in fair and transparent manner in accordance with the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014.

The Company in compliance with Clause 35B of the Listing Agreement and the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, is pleased to provide the members with the facility to exercise their right to vote on the matters included in the Notice of Postal Ballot by electronic means i.e. through e-voting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for providing e-voting facility to enable the shareholders to cast their votes electronically.

However, those members, who do not have access to e-voting facility can send their assent or dissent in writing on the Postal Ballot Form attached herewith. Members are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form duly completed and signed in the attached self-addressed Business Reply Envelope, so as to reach the Scrutinizer before the close of working hours at 5.00 pm on Wednesday, 10th September, 2014. Please note that any Postal Ballot Form(s) received after the said date will be treated as not received.

The Scrutinizer will be submitting the report to the Chairman & Managing Director or Company Secretary, after completion of the scrutiny of the Postal Ballot (Physical & E-voting). The results of the voting by Postal Ballot will be announced by any one of the Directors of the Company or the Company Secretary of the Company on Friday, 12th September, 2014 at 10.00 am at the Registered Office of the Company at 14 K. M. Stone, Aurangabad –Paithan Road, Village Chittegaon, Taluka Paithan, Dist: Aurangabad 431 105. The results of the Postal Ballot shall be posted on the Company's website viz. www.videoconworld.com and on CDSL's website viz. www.cdslindia.com besides communicating to the Stock Exchanges where the shares of the Company are listed. The results shall also be published in the newspaper.

The Special Resolution shall be declared as passed if the number of votes casted in favour of the Special Resolution is not less than three times the number of votes casted against the Special Resolution. The date of the declaration of results of Postal Ballot shall be considered to be the date of passing the Resolutions and the date of Extra Ordinary General Meeting, for the purpose of compliance, in terms of the provisions of the Companies Act, 2013.

PROPOSED RESOLUTIONS

1. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** in supercession to the earlier resolution passed by shareholders of the Company by way of Postal Ballot on 2nd February, 2013 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "Board", which term shall be deemed to include any person(s) authorized and/or committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to borrow from time to time any sum or sums of money (in foreign currency or Indian Rupee), on such terms and conditions and with or without security as the Board may think fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the Board shall not at any point of time exceed the limit of ₹ 75,000 Crores (Rupees Seventy Five Thousand Crores only).

   RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, if any required, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

2. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** in supercession to the earlier resolution passed by shareholders of the Company by way of Postal Ballot on 2nd February, 2013 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "Board", which term shall be deemed to include any person(s) authorized and/or committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to transfer, sell, lease, assign, deliver or otherwise dispose off, mortgage and/or charge (in addition to the mortgages/charges previously created) all or any of the immovable and movable properties of the Company, wherever situate, both present and future or the whole or substantially the whole of the undertaking or undertakings of the Company, (save and except the current assets that are or may be hypothecated and/or pledged in favour of the Company's Bankers for securing the borrowings for Working Capital Requirements) in such form and in such manner and on such terms and conditions as the Board may think fit, together with the power to take over the management of the Company in certain events of default, in favour of the Company's lenders / agents / trustees in order to secure borrowings availed/to be availed of by the Company/or others, in the course of business or for securing any loans and/or advances already obtained or that may be obtained by the Company or others, from any Financial Institutions/ Banks/ Insurance Companies/ Other Bodies Corporate or person or persons and/or to secure any debentures issued and/or that may be issued upto a sum not exceeding ₹ 75,000 Crores (Rupees Seventy Five Thousand Crores Only) at any point of time.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize the terms and conditions for such transfer, sell, lease, disposal or creation of mortgage and/or charge and to do all such acts, deeds and things as may be necessary, usual or expedient for giving effect to this Resolution and also to agree to any amendments thereto from time to time as it may think fit.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, if any required, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

3. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in supercession to the earlier resolution passed by shareholders of the Company by way of Postal Ballot on 2nd February, 2013 and pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, and subject to the necessary approvals, consents, sanctions and permissions of appropriate authorities, as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "Board", which term shall be deemed to include person(s) authorized and/or committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to make loan(s) in one or more tranches and/or give guarantee(s)/provide any security(ies) in connection with loan(s) made either in Rupee or in any other foreign currency, to the Company or other Bodies Corporate by any Banks/Financial Institutions/Bodies Corporate and/or any other person, situated within or outside the country, and/or to make investment by acquisition, subscription, purchase or otherwise the securities of any Body Corporate upto a limit of ₹ 75,000 Crores (Rupees Seventy Five Thousand Crores Only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate and finalise the terms and conditions of such investments, loans, guarantees and provision of securities on behalf of the Company and to take such other steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, if any required, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

4. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in supercession to the earlier resolution passed at the Annual General Meeting held on 28th December, 2013 and pursuant to the provisions of Section 41, 42, 67, 71 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, the notifications issued by the Reserve Bank of India ("RBI") and other applicable laws, listing agreements entered into by the Company with the stock exchanges where the shares of the Company are listed, Articles of Association and subject to all other statutory and regulatory approvals, consents, permissions and/or sanctions of the Government of India, RBI, Securities and Exchange Board of India ("SEBI") and all other concerned authorities (hereinafter singly or collectively referred to as the "Appropriate Authorities") as may be required, and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, consent, permission and/or sanction and agreed to by the Board of Directors of the Company (hereinafter called the "Board", which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including powers conferred by this Resolution, to the extent permitted by law), which the Board be and is hereby authorized to accept, if it thinks fit in the interest of the Company, the consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot equity shares and/or other equity linked or convertible financial instruments ("OFIs") in one or more tranches, whether denominated in Indian Rupee or foreign currency(ies), in the course of international and/or domestic offering(s) in one or more foreign market(s), for an amount not exceeding Rs. 5,000 Crores (Rupees Five Thousand Crores Only), or its equivalent in foreign currency, inclusive of premium, through a Follow-on Public Offering ("FPO") to eligible investors, or through Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs"), any other Depository Receipt Mechanism convertible into Equity Shares (either at the option of the Company or the holders thereof) at a later date, any such instrument or security [including Debentures or Bonds or Foreign Currency Convertible Bonds ("FCCBs")] being either with or without detachable warrants attached thereto entitling the warrant holder to apply for Equity Shares/instruments or securities including GDRs and ADRs representing equity shares (hereinafter collectively referred to as the "Securities") or any combination of Equity Shares with or without premium, to be subscribed to in Indian Rupee and/or any foreign currency(ies) by resident or non-resident/foreign investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/ or otherwise)/ Foreign Institutional Investors ("FIIs")/ Mutual Funds/ Pension Funds/ Venture Capital Funds/ Banks and such other persons or entities, whether or not such investors are members of the Company, to all or any of them, jointly or severally through prospectus, offer document and/ or other letter, placement document or circular ("Offer Document") and/or on private placement basis, from time to time in one or more tranches as may be deemed appropriate by the Board and such issue and allotment to be made on such occasion or occasions, at such value or values, at a discount or at a premium to the market price prevailing at the time of the issue and in such form and manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with the Lead Manager(s) and/or Underwriters and/or other Advisors, with authority to retain oversubscription upto such percentage as may be permitted by the Appropriate Authorities, with or without voting rights in general meetings/ class meetings, at such price or prices, at such interest or additional interest, at a discount or at a premium on the market price or prices and in such form and manner and on such terms and conditions or such modifications thereto, including the number of Securities to be issued, face value, rate of interest, redemption period, manner of redemption, amount of premium on redemption/prepayment, number of further Equity Shares, to be allotted on conversion/ redemption/ extinguishment of debt(s), exercise of rights attached to the warrants, the ratio of exchange of shares and/or warrants and/or any other financial instrument, period of conversion, fixing of record date or book closure and all other related or incidental matters as the Board may in its absolute discretion think fit and decide in consultation with the appropriate authority(ies), the Merchant Banker(s) and/or Lead Manager(s) and/or Underwriter(s) and/or Advisor(s) and/or such other person(s), but without requiring any further approval or consent from the shareholders and also subject to the applicable regulations for the time being in force.

RESOLVED FURTHER THAT the relevant date for determining the pricing of the Securities or issue of Equity Shares underlying the GDRs /ADRs or securities issued on conversion of FCCBs is the date of the meeting in which the Board decides to open the proposed issue or such date, if any, as may be notified by SEBI or the RBI or any Appropriate Authority from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into and execute all such agreements and arrangements with any Lead Manager(s), Co-Lead Manager(s), Manager(s), Advisor(s), Underwriter(s), Guarantor(s), Depository(ies), Custodian(s), Trustee, Stabilisation Agent, Banker/ Escrow Banker to the Issue and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such Securities in one or more Indian/International Stock Exchanges.

RESOLVED FURTHER THAT the Board and/or agency or body authorized by the Board may issue Depository Receipt(s) or Certificate(s), representing the underlying Securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and/or International Capital Markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per the Indian/ International practices and regulations and under the norms and practices prevalent in the Indian/International Markets.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of further Equity Shares as may be required to be issued and allotted upon conversion of any securities or as may be necessary in accordance with the terms of the offering, all such further Equity Shares shall rank pari-passu with the existing fully paid equity shares of the Company in all respects except provided otherwise under the terms of issue and in the offer document.

RESOLVED FURTHER THAT subject to the existing law and regulations, such Securities to be issued, that are not subscribed, during the currency of the warrants of option or any right entitling the holder of Security to subscribe for Equity Shares or any OFIs, may be disposed off by the Board to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company, including offering or placing them with resident or non-resident/ foreign investor(s) (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/ or otherwise) FIIs/ Qualified Institutional Buyers ("QIBs")/Mutual Funds/ Pension Funds/ Venture Capital Funds/ Banks and/or Employees and Business Associates of the Company or such other person(s) or entity(ies) or otherwise, whether or not such investors are members of the Company, as the Board may in its absolute discretion decide.

RESOLVED FURTHER THAT for the purpose of giving effect to the this Resolution, the Board be and is hereby authorized on behalf of the Company to agree to and make and accept such conditions, modifications and alterations stipulated by any of the relevant authorities while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing, depository and custodian arrangements and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s)/ offer(s) or allotment(s) or otherwise and utilization of the issue proceeds and/ or otherwise to alter or modify the terms of issue, if any, as

it may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the Company to the end and intent that the Company shall be deemed to have given its approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this Resolution."

5. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules prescribed thereof (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded, for alteration of existing Articles of Association of the Company by deleting the existing set of regulations 1 to 180 (both inclusive) and substituting with new set of regulations 1 to 155 (both inclusive) to read as under:

I. The Regulations contained in Table 'F' in the First Schedule of the Companies Act, 2013 shall apply to this Company to the extent which they are not modified, amended or altered by these Articles.

II. The marginal notes hereto shall not affect the construction hereof any provision.

1. For the purposes of these Articles, in addition to the terms defined in the introduction to these Articles and in the text of these Articles, whenever used in these Articles, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

"**Act**" means the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), including wherever applicable the Rules framed thereunder and the relevant provisions of the Companies Act, 1956, to the extent that such provisions have not been superseded by the Companies Act, 2013 or denotified, as the case may be.

"**Annual General Meeting**" means a meeting of the members held in accordance with provisions of Section 96 of the Act.

"**Articles**" or "**these Articles**" shall mean the Articles of Association of the Company for the time being in force.

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

"**Board**" means meeting of the Directors duly called and constituted or, as the case may be, the Directors assembled at a Board or the Directors of the Company collectively.

"**Capital**" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

"**Company**" means Videocon Industries Limited.

"**Debentures**" includes debenture stock, bonds or any other instrument of a company evidencing a debt, whether constituting a charge on the assets of the company or not.

"**Directors**" means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.

"**Dividend**" includes interim dividend.

"**Electronic mode**" means any communication by way of electronic media like tele-conferencing, video-conferencing and any other electronic media.

"**Extra Ordinary General Meeting**" means an Extra Ordinary General Meeting of the members duly called and constituted and any adjourned meeting thereof.

"**General Meeting**" means a meeting of the members.

"**Member**" means a member as defined under Section 2 (55) of the Companies Act, 2013 and the duly registered holder, from time to time, of the shares of the Company and includes every person whose name is entered as a Beneficial Owner as defined in clause (a) of Sub-section (1) of Section 2 of the Depositories Act, 1996.

"**Month**" means a calendar month.

"**Office**" means the Registered Office for the time being of the Company.

"**Paid up**" includes credited as paid-up.

"**Promoter Group**" means and includes Mr. Venugopal N. Dhoot, his relatives as defined in Companies Act, 2013 and entities ultimately promoted or controlled by Mr. Venugopal N. Dhoot and his relatives.

"**Register of Members**" means the Register of Members to be kept pursuant to Section 88 of the Act.

"**Registrar**" means the Registrar of Companies.

"**Seal**" means the Common Seal for the time being of the Company.

"**SEBI**" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

"**Secretary**" means the Company Secretary appointed in pursuance of Section 203 of the Act.

"**Share**" means Share in the Capital of a Company and includes stock except where a distinction between stock and share is expressed or implied.

2. In these Articles,

(i) any reference to any statute or statutory provision shall include all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);

(ii) any reference to the singular shall include the plural and vice-versa;

(iii) any references to the masculine, the feminine and the neuter shall include each other;

(iv) any references to a "company" shall include a body corporate;

(v) expressions referring to writing shall be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form;

(vi) headings to Articles, Sections, parts and paragraphs of schedules and schedules are for convenience only and do not affect the interpretation of these Articles;

(vii) unless the context otherwise requires, the words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these Articles become binding on the Company.

SHARE CAPITAL AND VARIATION OF RIGHTS

3. The Share Capital of the Company shall mean the share capital for the time being raised or authorized to be raised for the purpose of the Company, in terms of Clause V of Memorandum of Association of the Company. The Company shall have the power to increase or reduce the capital, to divide the share

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 Regulations, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Regulations of the Company and to consolidate or sub-divide the shares and issue shares of higher or lower denomination. The minimum paid – up capital of the Company should be Rs. 5,00,000/- (Rs. Five Lakhs only).

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

5. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

(a) Equity share capital:

(i) with voting rights; and / or

(ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and

(b) Preference share capital

6. (1) Every person whose name is entered as a member in the Register of Members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as may be stipulated by the Listing Agreement and/or as the conditions of issue shall provide –

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

(b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.

(2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

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

8. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.

9. The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

10. The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or at the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.

11. The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.

12. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

13. i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.

ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.

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

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

16. (1) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to:

(a) persons who, at the date of offer, are holders of shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

(b) employees under any scheme of employees' stock option; or

(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

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

ALTERATION OF CAPITAL

17. Subject to the provisions of the Act, the Company may, by ordinary resolution -

(a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;

(c) convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination;

(d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

18. Where shares are converted into stock:

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

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

(c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"member" shall include "stock" and "stock-holder" respectively.

19. The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, —

(a) its share capital; and/or

(b) any capital redemption reserve account; and/or

(c) any securities premium account; and/or

(d) any other reserve in the nature of share capital

CAPITALISATION OF PROFITS

20. (i) The company in General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards:

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

(iii) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

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

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

(iv) The Board shall have power:

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

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

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

LIEN

21. (1) The Company shall have a first and paramount lien –

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:

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

(2) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.

(3) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.

22. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien provided that no sale shall be made:

(a) unless a sum in respect of which the lien exists is presently payable; or

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

23. (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(2) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

(3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

24. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

25. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

26. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.

CALLS ON SHARES

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

(2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.

(4) A call may be revoked or postponed at the discretion of the Board.

28. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.

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

30. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.

(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.

31. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

32. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends; or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

33. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

34. All calls shall be made on a uniform basis on all shares falling under the same class.

35. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

36. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company.

TRANSFER AND TRANSMISSION OF SHARES

37. The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any medium as may be permitted by law, including in any form of electronic medium. The Company shall be entitled to keep in any state or country outside India, a branch Register of Members resident in that state or country.

38. Instrument of Transfer: A common form of transfer shall be used in case of transfer of shares. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and the registration thereof.

39. The instrument of transfer duly stamped and executed by the transferor or the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. The transferor shall be deemed to be the holder of such Shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate or certificates of the Shares must be delivered to the Company. The transfer of the shares shall be effected within one month from the date of the lodging the transfer with the Company.

40. Notwithstanding anything contained contrary in these Articles, the shareholders shall have full, absolute, unrestricted and unfettered right to transfer, pledge, create lien, charge, mortgage and otherwise encumber the shares of the Company in favour of the lenders or in favour of any person/s acting for the benefit of the lenders as security for the loans and such lenders or the person/s acting for the benefit of the lenders, as the case may be, shall have full, absolute, unrestricted and unfettered right to sell the shares so pledged, charged and/or under the security interest and/or transfer in their name, in the name of their nominees or in the name of third person, at their sole and absolute discretion in accordance with the terms of financing/ security/ debenture documents. The Company shall immediately give effect to such transfer of share and/ or sale of the shares and register the name of the lenders or the person acting for the benefit of the lender or transferee or the subsequent purchaser as shareholder.

41. Nothing contained contrary in these Articles shall apply to any transfer or sale of shares which are charged, pledged or under the security interest as security for the loans or the transfer, sale or appropriation of shares by the lenders or by any person/s acting for the benefit of the lenders and the Company/Director shall immediately without demur register the name of the lenders or the person acting for the benefit of the lenders or any such person to whom the lenders or the person acting for the benefit of the lenders have sold or transferred the shares pursuant to its right available in any of the financing and/or security documents or the subsequent transferee.

42. On giving not less than seven days' previous notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board of Directors may from time to time determine, provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year.

43. Directors may refuse to register transfer: Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in-force, the Directors may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmissions by operation of law of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one month from the date of which the Instrument of transfer, or the intimation of such transmission, as the case may be, was

delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmissions, as the case may be, giving reason for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares/debentures in whatever lot shall not be refused.

44. 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 56 of the Act.

45. 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.

46. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board of Directors and, subject as hereinafter provided elect, either:

a) to be registered himself as holder of the share; or

b) to make such transfer of the shares as the deceased or insolvent member could have made.

(2) The Board of Directors shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had himself transferred the share before his death or insolvency.

47. (1) If the person so becoming entitled, shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a note in writing signed by him stating that he so elects.

(2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of share.

(3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.

48. No fee on transfer or transmission: No fee shall be charged for registration of transfer and transmission.

49. On the transfer of the share being registered in his name a person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he was the registered as a member in respect of the share be entitled in respect of it to excise any right conferred by membership in relation to meeting of the Company, provided that the Board of Directors may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

50. The Company shall incur no liability whatever in consequence of its registration or giving effect, to any transfer of share 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 of interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable rights, 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 rights, title or interest or be under any liability 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 though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

FORFEITURE OF SHARES

51. If any member fails to pay any call or, installment of a call on or before the day appointed for the payment of the same, the Board may at any time thereafter during such time as the call or installment remains unpaid give notice requiring him to pay the same together with any interest that may have accrued.

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

53. If the requirements of any such notice as aforesaid shall not be complied with, every or any shares in respect of which such notice has been given, may at any time thereafter before payment required by the notice has been made, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

54. When any share shall have been so forfeited notice of the forfeiture to the member in whose name it stood at the time of forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

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

56. Any member whose shares have been forfeited shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at date of forfeiture, were presently payable by him to the Company in respect of the shares.

57. The forfeiture of a share involves extinction, at the time of the forfeiture, of all interest in and 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 Articles are expressly saved.

58. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

59. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off. The transferee shall thereupon be registered as the holder of the share. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

60. 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 shares shall (unless the same shall on demand by the company have been previously surrendered to, by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person entitled thereto.

61. The Board may at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof at such conditions as it thinks fit.

JOINT HOLDERS

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

a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.

b) On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.

d) Only the person whose name stands first in the register of members as one of the joint holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint holders.

e) (i) Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.

(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint holders.

f) The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

BUY-BACK OF SHARES

63. Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

64. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in the Section 17 of the Act shall be sent by the Company to every Member at his request within seven days of the request, on payment of fees in accordance with the Act.

SERVICE OF DOCUMENTS

65. A document may be served on any member by sending it to him/her by post or by registered post or by speed post or by courier or by delivering at his/her office or address, or by such electronic or other mode as may be prescribed in Section 20 of the Act and rules made thereunder. Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

GENERAL MEETING

66. All General Meeting other than the Annual General Meetings of the Company shall be called Extra Ordinary General Meetings.

67. A General Meeting of a company may be called by giving not less than clear twenty-one days notice either in writing or through electronic mode in such manner as may be prescribed in the Act or rules made thereunder.

68. 1) The Board of Directors may, whenever it thinks fit call an Extra Ordinary General Meeting.

2) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an Extra Ordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

3) The Board of Directors shall call an Extra Ordinary General Meeting, upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as on that date carries the right of voting. Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office, provided that such requisition may consist of several documents in like form each signed by one or more requisitionists. Upon the receipt of any such requisition, the Board of Directors shall forthwith call an extraordinary general meeting and if they do not proceed within twenty-one days from the date of the requisition being deposited to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists may themselves call the meeting, within a period of three months from the date of the requisition. 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.

CONDUCT OF GENERAL MEETINGS

69. (1) No business shall be transacted at any General Meeting, unless a quorum or members is present at the time when the meeting proceeds to business.

(2) Save as otherwise provided herein, the quorum for the General Meeting shall be as provided in Section 103 of the Act.

70. The Chairman, if any of the Board of Directors shall preside as Chairman at every General Meeting of the Company.

71. If there is no such Chairman or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the directors present shall elect one of their members to be the Chairman of the meeting.

72. If at any meeting no director is willing to act as Chairman or if no director is present within fifteen minutes of the time appointed for holding the meeting, the members present shall choose one of their members to be the Chairman of the meeting.

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

74. (1) The Chairman may with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting, from time to time and place to place.

(2) No business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, fresh notice of any adjourned meeting shall be given as in the case of an original meeting.

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

75. In the case of equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes places or at which poll is demanded shall be entitled to a second or casting vote.

76. The Company shall cause minutes of the proceedings of every General Meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.

77. There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting -

(a) is or could reasonably be regarded, as defamatory of any person; or

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interests of the Company.

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

79. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

80. A member of the Company may participate in a General Meeting through the electronic mode, subject to compliance of section 110 of the Act and such other circulars as may be prescribed.

VOTES OF THE MEMBERS

81. Subject to any rights or restrictions for the time being attached to any class or classes of shares:

a) on a show of hands, every members present in person shall have one vote; and

b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

82. A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.

83. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of joint holders stand in the Register of Members.

84. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy.

85. Any business other than that upon which a poll has been demanded, may be proceeded with, pending the taking of the poll.

86. No members shall be entitled to vote at any general meeting unless all calls and other sums presently payable by him in respect of shares in the Company or in respect of shares on which the Company has exercised any right of lien, have been paid.

87. (1) No objection shall be raised to the qualification of any voter, except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

(2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.

88. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or an notarised copy of that power or authority shall be deposited at the Office of the Company, not less than 48 hours before the time for holding the meetings or adjourned meetings at which the person named in the instrument proposed to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

PROXY

89. An instrument appointing a proxy shall be in the form as prescribed in the Rules made under Section 105 of the Act.

90. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer or the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

91. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 152 of the Act, the number of Directors (including Debentures and Alternate Directors) shall not be less than three or more than fifteen.

92. The present Directors of the Company are:

1. MR. VENUGOPAL NANDLAL DHOOT (DIN 00092450)
2. MR. RADHEYSHYAM DALCHAND AGARWAL (DIN 00012594)
3. MR. ANIL GOPAL JOSHI (DIN 00019927)
4. MAJ GEN SUDHIR CHINTAMANI NILKANTH JATAR (DIN 00393605)
5. MR. RAVINDRANATH BANNANJE - NOMINEE DIRECTOR (DIN 02156076)

93. The Board shall have the power to appoint/re-appoint from time to time any of its members as Managing Director or Manager of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit. The appointment and terms and conditions, including remuneration of Managing Director or Manager or Whole-Time Director shall be in accordance with Section 197 and Schedule V of the Act. The Managing Director or Manager or Whole-Time Director who are in whole-time employment in the Company shall be subject to supervision and control of the Board of Directors of the Company.

94. A Director may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

95. Promoter Group shall, as long as it holds not less than nine percent of the total paid up Equity Share Capital of the Company for the time being, be entitled by Notice in writing addressed to the Company by Mr. Venugopal N. Dhoot or his relatives to appoint such number of persons as shall together with the Managing Director or Managing Directors and Chairman not exceeding one-third of the total number of the Directors of the Company and to remove such persons from office and on a vacancy being caused in such office, from any cause whatsoever by resignation, retirement, death, removal or otherwise, of any such persons so appointed to appoint another to fill such vacancy. An appointment or removal of the Directors under this article shall become effective forthwith upon receipt by the Company of the writing aforesaid. The Directors so appointed by the Promoter Group shall not be liable to retire by rotation at any General Meeting of the Company.

96. Subject to the provisions of the Act and these Articles, Promoter Group shall have right by writing signed by Mr. Venugopal N. Dhoot or his relatives and addressed to the Board to designate one or more of the members of the Board as the Managing Director or Managing Directors of the Company and the Board shall within seven days from the date of receipt of such writing, appoint such designate or designates as the Managing Director or Managing Directors of the Company. Promoter Group shall have the right by a similar writing to require the Board to remove any Managing Director or Managing Directors of the Company and the Board shall, within seven days from the date of receipts of such writing, remove such Managing Director or Managing Directors. On a vacancy being caused in the office of the Managing Director due to any reasons whatsoever including death, resignation or removal, Promoter Group shall have the right to designate another member of the Board for such appointment and the Board shall proceed to appoint such designate in the same manner as hereinabove prescribed. The terms and conditions of appointment of the Managing Director or Managing Directors and his or their powers shall, subject to the provisions of the Act, be such as specified (with the power to vary such terms, conditions and powers by Promoter Group) from time to time and the terms, conditions and powers on which the Managing Director or Directors shall be appointed by the Board which shall be subject to the provisions of the Act.

97. a. The rights conferred on the Promoter Group by the foregoing regulations of this Article shall be exercisable by the Promoter Group only so long as the Promoter Group hold not less than nine per cent of the total paid up Equity Share Capital of the Company for the time being.

b. If no person is designated as Managing Director by Promoter Group in exercise of the right conferred on it under Sub-Clause (a) of this regulation the Board may subject to the provisions of the Act and these Articles from time to time appoint any of its member /representative as the Managing Director or Managing Directors of the Company upon such terms and conditions as the Board shall think fit. The Board may by resolution vest such

Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. Provided however that:

(i) so long as Promoter Group holds not less than twenty-six per cent of the total paid up Equity Share Capital of the Company for the time being, the Managing Director or Managing Directors of the Company so appointed shall be acceptable to the Promoter Group;

(ii) the Managing Director or Managing Directors so appointed by the Board shall cease to be the Managing Director of the Company upon Promoter Group designating a Managing Directors or Directors in exercise of rights conferred on it as per the provisions of the Act;

(iii) The remuneration of the Managing Director or Managing Directors may be by way of sitting fee for each meeting or participation in profits or by any or all these modes or any other by the act or mode not expressly prohibited; and

(iv) The Managing Director or Managing Directors, if any appointed under this Article shall not while he or they continue to hold that office, be subject to retirement by rotation.

98. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

99. The directors may participate in any meeting of the Board or a committee thereof, through electronic mode subject to compliance with applicable law.

100. At every annual general meeting of the Company one-third of such of the directors of the time being as are liable to retire by rotation in accordance with the provisions of Section 152 of the Act if their number is not three or a multiple of three, then the number nearest to one third retire from office.

101. The Director, including Alternate and Nominee Directors, if any, shall be entitled to sitting fees, for participating/attending Board Meeting or Meeting of Committee of Board of Directors, a sum not exceeding Rs. 1,00,000/- or such sum as may be fixed by the Board of Directors, from time to time. However, the same shall not exceed the maximum sum as is permissible under the provisions of the Act or Guidelines issued by appropriate authority, from time to time.

102. (1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

(2) In addition to the remuneration payable to them in pursuance to the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them:

a) In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or

b) In connection with the business of the Company.

103. The directors shall not be required to hold any qualification shares in the Company.

104. Subject to the provisions of Sections 149 and 161 of the Act, the Board of Directors shall have power at any time, and from time to time, to appoint persons as additional directors, provided the number of additional directors and directors together shall not at any time exceed the maximum strength fixed for the Board of Directors by the Articles. Such a person shall hold office up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

105. Subject to the provisions of Section 161 of the Act, the Board of Directors shall have power to appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate director to act for a director during his absence for a period of not less than three months from India.

106. The directors shall have power, at any time and from time to time, to appoint any qualified person to be a director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upon the date up to which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.

107. The office of a director shall become vacant on the occurrence of any events described in Section 167 of the Act and other relevant provisions if the Act.

108. Every director present at any meeting of the Board of Directors or a committee there of shall sign his name in a book or attendance sheet to be kept for that purpose, to show his attendance thereat.

109. Notwithstanding anything to the contrary contained in these Articles, so long as moneys remain owing by the Company to the IDBI Bank Limited, ICICI Bank Limited, Life Insurance Corporation of India, General Insurance Corporation of India, National Insurance Company Ltd, The Oriental Fire and General Insurance Co Ltd, The New India Assurance Co. Ltd, United India Insurance Company Ltd or a State Financial Corporation or any Financial Institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or any Public Sector Banks by two or more of them or by Central Government or State Government by themselves (each of the above is hereinafter in this Article referred to as "the Corporation") out of any loans/ debenture assistance granted by them to the Company or so long as the Corporation holds or continue to hold debentures/shares in the Company as result of under writing or by subscription or private placement 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 Directors") 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 her or their places. The Board of Directors of the Company shall have no power to remove office of the Nominee Directors. At the option of the Corporation such Nominee Directors shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation such Nominee Directors shall not be liable to retirement by rotation of Directors. The Company agrees that if the Board of Directors of the Company has constituted or proposes to constitute any management committee or other committee (so it shall, if so required by the Corporation, include the Nominee Director as a member of such management committee or other committees). 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 money remains owing by the Company to the Corporation or so long as the Corporation hold or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the company arising out of the guarantee is outstanding and the Nominee Director(s) so appointed in exercise of the said power shall vacate such office, immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the company arising out of the 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 Meetings, 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 Nominee Director(s) shall be entitled to the same sitting fees, commission, remuneration and expense as are applicable to other Directors. The expenses shall be paid to the Nominee Director(s) directly, but the commission, remuneration or other monies and sitting fees to which the Nominee Director(s) is/ are entitled shall accrue due to the Corporation and shall accordingly be paid by the Company directly to the Corporation or as may be instructed by the Corporation.

Any expense 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 also that in the event of the Nominee Director being appointed as Whole Time Director(s), such Nominee Director(s) shall exercise such powers and duties as may be approved by the Corporation and have such right as are usually exercised or available to a Whole Time Director(s) in the management of the affairs of the Company. Such Whole Time Director(s) shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

POWERS OF BOARD OF DIRECTORS

110. The Board of Directors shall exercise the following powers on behalf of the Company and it shall do so only by means of resolution passed by the Board at its meetings:

a. make calls on shareholders in respect of money unpaid on the shares in the Company;

b. authorize buy-back of securities under Section 68 of the Act;

c. issue securities, including debentures , whether in or outside India;

d. borrow moneys,

e. invest the funds of the Company;

f. grant loans or give guarantee or provide security in respect of loans;

g. approve financial statement and the Board's Report;

h. diversify the business of the Company;

i. approve amalgamation, merger or reconstruction;

j. takeover a company or acquire a controlling or substantial stake in another company;

k. to make political contributions;

l. to appoint or remove key managerial personnel (KMP);

m. to take note of appointment(s) or removal(s) of one level below the KMP;

n. to appoint internal auditors and secretarial auditor;

o. to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital or free reserves of the investee company;

p. to invite or accept or renew public deposits and related matters;

q. to review or change the terms and conditions of public deposits;

r. to approve quarterly, half yearly and annual financial statements or financial results as the case may be; and

s. any other matter which may be prescribed from time to time.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of Directors, the Managing Director, the manager or any other principal officer of the Company, the powers specified in (d), (e) and (f) or such other powers as may be permitted from time to time on such conditions as the Board may prescribe, subject to Section 179 of the Act.

111. The Board 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 regulations 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 accorded by a Special Resolution:

(a) to 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 one undertaking, of the whole or substantially the whole of any of such undertakings.

(b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation.

(c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business

(d) to remit, or give time for, the repayment of, any debt due from a director.

112. The Board may contribute any amount directly or indirectly to any political party subject to the provisions of Section 182 of the Act and Rules made thereunder.

113. The Company may issue fully-paid up bonus shares to the members pursuant to the provisions of the Act and Rules made thereunder.

114. The payment or repayment 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 a Meeting of the Board.

POWER OF ATTORNEY

115. The Board may at any time and from time to time nominate/appoint by Power of Attorney under the seal of the Company, any person or persons to act as Attorney/Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under the 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 favor of any person, individual, corporate, member, firm, director, manager or member of any local board, established as aforesaid or otherwise in favor 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 person dealing with such Attorneys as the Board may think fit, and may 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.

PROCEEDINGS OF THE BOARD

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

(2) The Chairperson or any one Director with the previous consent of the Chairperson may, or the Company Secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.

(3) The quorum for a Board meeting shall be as provided in the Act.

(4) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

117. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(2) In case of a equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

118. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

119. (1) The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

120. (1) The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.

(2) Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

(3) The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

121. A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.

122. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

123. Committee may meet and adjourn as it thinks fit.

124. Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.

125. In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

126. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

127. Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.

RESOLUTION BY CIRCULATION

128. 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, by the Secretary of the Company, if any, or by any person or persons nominated by the Chairman/Managing Director/Manager, 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.

REGISTERS

129. The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, Register of Members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the Office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

130. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board of Directors may (subject to the provisions of that Section) make and vary such regulations as it may think fit with respect to the keeping of any such register.

131. The directors may enter into contracts or arrangements on behalf of the Company subject to the necessary disclosures required by the Act being made wherever any Director is in any way, whether directly or indirectly concerned or interested in the contract or arrangements.

132. All related party transactions will be approved by the Board of Directors, and, if applicable, by the shareholders in a general meeting through a special resolution, in accordance with the provisions of the Act and rules framed thereunder.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

133. Subject to the provisions of the Act:

a) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board of Directors for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple business.

b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

134. Any provision of the Act or these Articles requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

135. 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 the authority of the Board or a Committee of the Board previously given. The Company shall also be at liberty to have an official Seal in accordance with the provisions of the Act.

136. 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 duly constituted attorney, be signed by one Director and some other person appointed by Board for the purpose.

Provided that in respect of the Share certificate, the Seal shall be affixed in accordance with the Articles.

DIVIDENDS AND RESERVE

137. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

138. Subject to the provisions of Section 123 of the Act, the Board of Directors may, from time to time, pay to the members such interim dividends as appear it to be justified by the profits earned by the Company.

139. The Board of Directors may, before recommending any dividend, set aside out of the profits of the Company, such sums, as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any of the purposes to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such applications may at the like discretion either be employed in the businesses of the Company or be invested in such investments (other than shares of the Company) as the Board of Directors may, from time to time, thinks fit. The Board of Directors may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.

140. (1) Subject to the rights of the persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as having been paid on the share.

(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

141. The Board of Directors may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

142. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by ECS, cheque or warrant sent through the post directed to the registered address of the holder or in case of joint holders, to the registered address of that one of the joint holders who is first named on the register of member, or to such persons and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

143. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other moneys payable in respect of such share.

144. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

145. No dividend shall bear interest against the Company.

146. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, the Company shall, within seven days from the date of expiry of the said period of 30 days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Videocon Industries Limited Unpaid Dividend Account".

147. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under Section 125 of the Act.

148. No unclaimed or unpaid dividend shall be forfeited by the Board of Directors until the claim becomes barred by law.

ACCOUNTS

149. The Board of Directors shall cause proper books of accounts to be maintained including under Section 128 of the Act.

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

WINDING UP

151. (1) Subject to the provisions of the Act, and the rules made thereunder, on the winding up of the Company, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members in specie or in kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid, and may determine how such division shall be carried out as between the members or different classes of members.

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

INDEMNITY

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

SECRECY

153. a) Every Director, Manager, Chief Executive Officer, Chief Financial Officer, Company Secretary, Auditor, Chief Accounts Officer, Treasurer, Accountant, Agent or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except and so far as may be necessary in order to comply with any of the provisions in these presents contained.

b) No members shall be entitled to visit or inspect any work/works of the Company without the prior permission of the Directors or to require discovery of or any information respecting any details of the Company's business/trading, or any matter which relates 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.

VARIATION IN TERMS OF CONTRACT OR OBJECTS IN PROSPECTUS

154. The Company shall not, at any time, vary the terms of a contract referred to in prospectus or objects for which the prospectus was issued, except subject to the approval of, or except subject to an authority given by the Company in general meeting by way of special resolution, and in accordance with the provisions of the Act.

GENERAL POWER

155. Wherever in the Act, it has been provided that the Company shall have right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this regulation hereto authorises and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

RESOLVED FURTHER THAT for purpose of giving effect to this Resolution, the Board be and is hereby authorized to agree to and make and accept such conditions, modifications and alterations stipulated by any one of the relevant authorities, statutory or otherwise, while according approval, consent as may be considered necessary.

RESOLVED FURTHER THAT any one of the Directors and/or the Company Secretary of the Company be and are hereby, severally, authorized to do all such acts deeds and things as are deemed expedient and necessary and to file necessary Forms/Returns/ Applications/Documents/ Papers as are required to be filed with the office of the Registrar of Companies, Maharashtra, Mumbai and other authorities, Statutory or otherwise as are required to give effect to this Resolution."

By order of the Board of Directors of
Videocon Industries Limited

Sd/-
Vinod Kumar Bohra
Company Secretary

Place: Mumbai
Date: 2nd August, 2014

Notes:

1. A statement setting out the material facts concerning each item of Special Business to be transacted pursuant to Section 102 of the Companies Act, 2013, is appended below.
2. The Notice of Postal Ballot is being sent to all the members, whose names appear in the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, 1st August, 2014.
3. The Notice of Postal Ballot together with Postal Ballot Form are being sent by electronic mode to all the members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their email addresses, physical copies of the Notice of Postal Ballot together with Postal Ballot Form and Business Reply Envelope are being sent by the permitted mode. Any member to whom the Notice is sent by electronic mode, opt to vote through Postal Ballot instead of e-Voting are requested to send request for printed copy of Postal Ballot Form, by sending an e-mail to The Company Secretary of the Company at secretarial@videoconmail.com. Alternatively, the member may download the Postal Ballot Form from the website of the Company viz. www.videoconworld.com or from the website of CDSL viz. www.cdslindia.com, fill and complete the same and send it to the Scrutinizer at the address (as mentioned in S. No. 4 below).
4. Members are requested to carefully read the instructions printed on the reverse of the Postal Ballot Form and return the Form duly completed in the attached Business Reply Envelope so as to reach the Scrutinizer on or before 5.00 pm Wednesday, 10th September, 2014 at the following address:

   The Scrutinizer - Videocon Industries Limited, Post Box No. 559, Aurangabad – 431005.
5. The Company in compliance with Clause 35B of the Listing Agreement and the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, is pleased to provide the members with the facility to exercise their right to vote on the matters included in the Notice of Postal Ballot by electronic means i.e. through e-voting services provided by CDSL. For this purpose, the Company has signed an agreement with the CDSL for facilitating e-voting. Members have option to vote either through e-voting or through the physical Postal Ballot Form. If a member has opted for e-voting, then he/she should not vote by physical Postal Ballot Form also. However, in case members cast their vote both via physical Postal Ballot and e-voting, then voting through e-voting shall prevail and voting done by Postal Ballot shall be treated as invalid.

   The Voting Rights will be reckoned on the paid-up value of shares registered in the name of Shareholder on Friday, 1st August, 2014, the cut-off date/ entitlement date.
6. Upon completion of the scrutiny of the Postal Ballot Forms and e-voting, the Scrutinizer will submit her report to the Chairman & Managing Director or any of the Directors or Company Secretary of the Company. The results of the Postal Ballot would be announced by any one of the Directors or Company Secretary of the Company on Friday, 12th September, 2014 at 10.00 am at the Registered office of the Company.
7. The date of declaration of the results of Postal Ballot shall be considered to be the date of passing of the Resolutions and the date of Extra Ordinary General Meeting, for the purpose of compliance, in terms of the provisions of the Companies Act, 2013.
8. All the relevant documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturday/Sunday and other holidays between 9.00 am to 11.00 am upto the date of declaration of results of Postal Ballot i.e. Friday, 12th September, 2014.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MODE

The process and manner for voting by electronic means and the time schedule including the time period during which the votes may be casted are as under:

(i) The e-voting period begins on Tuesday, 12th August, 2014 at 9.00 a.m. and shall end on Wednesday, 10th September, 2014 at 5.00 p.m., both days inclusive. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 1st August, 2014 being the cut-off date/entitlement date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case of members receiving e-mail:

(ii) Log on to the e-voting website www.evotingindia.com

(iii) Click on "Shareholders" tab.

(iv) Now Enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut off date** in the **Dividend Bank details field.**

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form w now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that t password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that compa opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep y password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for Videocon Industries Limited.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (ii) to sl. no. (xviii) above to cast vote.

(B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available on www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. The shareholders can also write to The Company Secretary - Videocon Industries Limited at secretarial@videoconmail.com.

A STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 1

The Ministry of Corporate Affairs (MCA) had notified Section 180(1)(c) of the Companies Act, 2013 (corresponding Section 293(1)(d) of the Companies Act, 1956) effective from 12th September, 2013. As per the provisions of the Section 180(1)(c) of the Companies Act, 2013, approval of the shareholders is required for authorizing the Board of Directors to borrow money/moneys, where the amount to be borrowed together with the amount already borrowed by the company exceeds the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

MCA vide its General Circular no. 04/2014 dated 25th March, 2014 notified that the resolution passed under Section 293 of the Companies Act, 1956 prior to 12th September, 2013 with reference to the borrowing (subject to the limits prescribed) and /or creation of security on assets of the Company will be regarded as sufficient compliance of the requirement of Section 180 of the Companies Act, 2013 for a period of 1 year from the date of notification.

The shareholders of the Company have already accorded their approval to the Board of Directors of the Company to borrow money/moneys upto an amount of ₹ 50,000 Crores by passing an Ordinary Resolution by postal ballot on 2nd February, 2013. However, the said resolution is valid for a period of 1 year from the date aforesaid notification. Hence, the Company is required to obtain fresh approval of the members as per the provisions of Section 180 of the Companies Act, 2013.

The Company has strengthened its portfolio in Oil and Gas business. The prospectivity of various oil and gas concessions of the Company have increased on account of various discoveries announced in the recent past. These discoveries confirm the strong prospects of our global exploration and paves a way for huge business opportunities while resulting in substantial increase in capital allocations. Further, the Company is aggressively exploring more opportunities in energy sector to further strengthen its portfolio. All these requires substantial amount of capital allocations.

Further, the Consumer Electronics and Home Appliances business is getting consolidated. There are various opportunities for diversification and expansion.

To ensure adequate availability of working capital and additional fund requirement, it is necessary that the Board of Directors have sufficient borrowing powers. Accordingly, it is now proposed to enhance the said borrowing limit from ₹ 50,000 Crores to ₹ 75,000 Crores.

With a view to ensure wider participation of the members, this resolution is also being proposed by Postal Ballot. The said Special Resolution is being recommended for the approval of the Members by Postal Ballot.

None of the Directors or Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

Item No. 2

The Ministry of Corporate Affairs (MCA) had notified Section 180(1)(a) of the Companies Act, 2013 (corresponding Section 293(1)(a) of the Companies Act, 1956) effective from 12th September, 2013. As per the provisions of the Section 180(1)(a) of the Companies Act, 2013, approval of the shareholders is required for authorizing the Board of Directors to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertaking.

MCA vide its General Circular no. 04/2014 dated 25th March, 2014 notified that the resolution passed under Section 293 of the Companies Act, 1956 prior to 12th September, 2013 with reference to the borrowing (subject to the limits prescribed) and /or creation of security on assets of the Company will be regarded as sufficient compliance of the requirement of Section 180 of the Companies Act, 2013 for a period of 1 year from the date of notification.

Presently, the Board is authorized to transfer, sell, lease, assign, deliver or otherwise dispose off, mortgage and/or charge on various assets of the Company in terms of the provisions of Section 293(1)(a) of the Companies Act, 1956, to the extent of ₹ 50,000 Crores pursuant to the resolution passed by postal ballot on 2nd February, 2013. However, the said resolution is valid for a period of 1 year from the date aforesaid notification. Hence, the Company is required to obtain fresh approval of the members as per the provisions of Section 180 of the Companies Act, 2013.

In order to bring consistency between the two authorizations, it is proposed that the authorization under Section 180(1)(a) of the Companies Act, 2013 shall be increased so as to make it equal to the authorization under section 180(1)(c) of the Companies Act, 2013. Accordingly, consent of the members is being sought to authorize the Board to transfer, sell, lease, assign, deliver or otherwise dispose off, mortgage and/or charge to the extent of ₹ 75,000 Crores in line with the proposed increase in the borrowing powers of the Company as mentioned in Item No. 1 hereinabove.

As per the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014, the resolution under Section 180(1)(a) can be passed only through Postal Ballot process. Accordingly, the said Special Resolution is being recommended for the approval of the Members by Postal Ballot.

None of the Directors or Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

Item No. 3

As per the provisions of Section 186 of the Companies Act, 2013, no company shall directly or indirectly (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or any person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

The shareholders of the Company had already accorded their approval to the Board of Directors of the Company to make loan, to make investment, give guarantee and provide security, upto an amount of ₹ 50,000 Crores by passing a Special Resolution by Postal Ballot on 2nd February, 2013.

As a measure of achieving greater financial flexibility, it is proposed that the Board of Directors of the Company be authorized to make investment/ extend guarantee/ provide security/ give loan upto an amount of ₹ 75,000 Crores (Rupees Seventy Five Thousand Crores only) which, in the opinion of the Board, is directly or indirectly, beneficial to and in the interest of the Company. Since, decisions for investment or for providing guarantee/security for facilities availed by the Company and/or associate/group companies are required to be taken on quick basis, especially keeping in view the interests of the Company, it may not be feasible for the Company to seek shareholders' consent by postal ballot each and every time, in view of the timings and the expenses involved. The Board proposes to make investment/ give loan, inter-alia, out of internal accruals/mobilizations including external financing, as may be done by the Company from time to time.

Hence, as per the provisions of Section 186 of the Companies Act, 2013, approval of the Members is sought for enhancing the ceiling upto which loans/ investments can be made, security/guarantee may be provided by the Board of Directors of the Company from ₹ 50,000 Crores to ₹ 75,000 Crores. In accordance with the provisions of the Companies Act, 2013, the said limit may also be considered as an annual limit fixed by the shareholders for extending guarantee till the time the same is fully utilized/exhausted.

As per the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014, the resolution for giving loan or extending guarantee or providing security in excess of limit as specified under Section 186(2) of the Companies Act, 2013 can be passed only through Postal Ballot process.

The said Special Resolution is being recommended for the approval of the Members by Postal Ballot.

None of the Directors or Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

Item No. 4

The Members of the Company vide resolution passed on 28th December, 2013 at the Annual General Meeting accorded their approval to issue, offer and allot equity shares and/or other equity linked financial instrument, in one or more tranches, for an amount not exceeding ₹ 5,000 Crores, inclusive of premium, through a Follow-on Public Offering ("FPO"), Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs"), any other Depository Receipt Mechanism convertible into Equity Shares, or any such instrument or security (including Debentures or Bonds or FCCBs) being either with or without detachable warrants attached thereto entitling the warrant holder to apply for Equity Shares/instruments.

Even though the aforementioned is valid for a period of 1 year from the date of passing, the Company has been advised to seek a fresh approval from the members in terms of the provisions of Companies Act, 2013 as the Company continues to evaluate different proposals to mobilize the funds, as and when required including by way of debt instrument and instruments convertible into equity shares.

In terms of Sections 41, 42, 62 read with Section 71 and other applicable provisions of the Companies Act, 2013, a company making an allotment to persons other than the existing shareholders of the Company is required to obtain the approval of the members by way of passing Special Resolution.

With a view to ensure wider participation of the members, this resolution is also being proposed to be passed by Postal Ballot.

The Board recommends the resolution set out at Item No. 4 of the notice for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

Item No. 5

The Company proposes to incorporate various provisions which are required pursuant to the Companies Act, 2013 and the Listing Agreement. As this will entail numerous changes to the Articles of Association of the Company, it is considered desirable to adopt a comprehensive new set of regulations of Articles of Association in substitution of existing set of regulations of the Articles of Association of the Company.

Therefore, it is proposed to delete the existing clauses 1 to 180 (both inclusive) contained in the Articles of Association of the Company and substitute with new set of regulations 1 to 155 (both inclusive), as set out in the resolution.

Pursuant to the provisions of the Companies Act, 2013, alteration of Articles of Association requires approval of the members of the Company by way of passing a Special Resolution.

The Board recommends the proposed resolution for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

By order of the Board of Directors of
Videocon Industries Limited

Sd/-
Vinod Kumar Bohra
Company Secretary

Place: Mumbai
Date: 2nd August, 2014