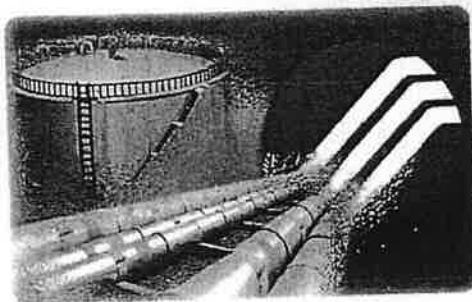


**Memorandum**  
**and**  
**Articles of Association**  
**of**  
**Petronet LNG Limited**

**(As amended on 27<sup>th</sup> August, 2019)**

# MEMORANDUM AND ARTICLES OF ASSOCIATION



**PETRONET  
LNG  
LIMITED**

**Petronet LNG Limited**



सत्यमेव जयते

प्राचर एरु

Form 1

निगमन का प्रमाण पत्र

## Certificate of Incorporation

सं० 55-93073 शक 19 20  
No. 55-93073 of 19 98-99

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज पेट्रोनैट एलएनजी  
लिमिटेड

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह  
कम्पनी परिसीमित है।

I hereby certify that PETRONET LNG LIMITED

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

मेरे हस्ताक्षर से आज ता० 12 चैत्र, 1920 को दिया गया।

Given under my hand at ... NEW DELHI .. this ... SECOND

day of ... A P R I L ... One thousand nine hundred and NINETY EIGHT

ललित मोहन ।  
महायक कम्पनी रजिस्ट्रार  
रा. रा. क्षेत्र दिल्ली एवं हरियाणा

( LALIT MOHAN )  
ASSTT. Registrar of Companies  
N.C.T. OF DELHI & HARYANA

COMPANY NO. 55-93073



सत्यमेव जयते

## Certificate for Commencement of Business

व्यापार प्रारम्भ करने का प्रमाण-पत्र  
Pursuant to section 149 (3) of the Companies Act, 1956  
कम्पनी अधिनियम १९५६ की धारा १४९ (३) के अनुसरण में

I hereby certify that the **PETRONET LNG LIMITED**

में एतद द्वारा प्रमाणित करता हूँ **पेट्रोनेट एलएनजी लिमिटेड**

which was incorporated under the Companies Act, 1956 on

जो कि कम्पनी अधिनियम, १९५६ के अन्तर्गत पंजीकृत की गई थी दिनांक ..... 12 जून, 1920 ..  
the **SECOND** day of **APRIL** 199 **8**

and which has filed duly verified declaration in the  
और जिस ने कि यथावत् निर्धारित प्रपत्र में सत्यापित घोषणा पत्र प्रस्तुत  
prescribed form that the conditions of section  
कर दिया है कि उस ने धारा १४९ (२) (क) से (ग)

149 (2) (a) to (c) of the said Act, have been complied with is entitled  
को सभी शर्तों का अनुपालन कर दिया है, अतः व्यापार आरम्भ करने को  
to commence business.  
अधिकारी है।

Given under my hand at NEW DELHI

मेरे हस्ताक्षर से आज दिनांक ..... 11 जून, 1920 .....  
this **FIRST** day of **JUNE**  
One thousand nine hundred and Ninety **EIGHT**

को जारी किया गया।



*Richa Kukreja*  
**। रिचा कुकरेजा ।**  
तहासक कम्पनी रजिस्ट्रार  
दिल्ली एवं हरियाणा  
( **RICHA KUKREJA** )  
ASSTT. Registrar of Companies  
NCT OF DELHI & HARYANA

**THE COMPANIES ACT, 1956**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**PETRONET LNG LIMITED**

- I. The name of the Company is **PETRONET LNG LIMITED**
- II. The Registered Office of the Company will be situated in the National Capital Territory of Delhi.
- III. The Objects for which the Company is established are:

**(A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:-**

1. To prospect, explore, develop, drill, produce, acquire, store, process, refine, liquify, regasify, transport, distribute, supply, sell, market, import, export, natural gas (NG), liquified natural gas (LNG), compressed natural gas (CNG), and other forms of natural gas, associated gaseous substance, hydrocarbons, oil and other related liquid or gaseous substances and to set-up, participate in setting-up of ports, import terminals and facilities for receiving, storing, transporting, distributing, supplying, through vessels, tankers, pipelines or any other mode of transportation and regassification, compression other related processing plants for natural gas, LNG, CNG or other gaseous or liquid hydrocarbons and to generate, transmit, supply, distribute, sell purchase power by setting-up of power generating plants and other plants using natural gas and to carry on the above business in India or abroad.
2. To approve, ratify and confirm, implement or adopt and carry into effect, as far as the Company is concerned, the Promoters' Agreement and the Shareholders' Agreement entered into by and among GAIL (India) Limited (GAIL), Oil and Natural Gas Corporation Limited (ONGC), Indian Oil Corporation Limited (IOC) and Bharat Petroleum Corporation Limited (BPCL) (Bharat Gas Resources Limited subsequently became a party to the Shareholders Agreement by executing a deed of adherence) for the implementation of projects referred to therein including setting up of import terminals, power generation stations and related facilities and for import, supply and distribution of NG, LNG, CNG and power. (Amended and Approved by the Shareholders in its 21st Annual General meeting held on 27th August,2019).

\*

**(B) OBJECTS INCIDENTAL OR ANCILLARY TO THE MAIN OBJECTS:**

1. To establish and maintain offices, agencies, branches, storage depots, jetties, retail and other outlets and centres in respect of the foregoing and otherwise.
2. To acquire by technical collaboration or otherwise the recipes, technical know-how and other information as to the processes of manufacturing, and the right to manufacture and deal in any of the products which the company is entitled to produce, manufacture or deal in.

**\* Clause no. III (A) 3** (Amended and approved by the Shareholders through Postal ballot on 12<sup>th</sup> February, 2016)

“To promote, organize or carry on business of consultancy services and training including consultancy and training in human resource capability building or any field of activity in which the company is engaged in or connected therewith either on its own or through collaboration or Joint Venture.”

3. To enter into contracts, agreements, and arrangements with any other company for the carrying out by such other company on behalf of the Company of any of the objects for which the Company is formed.
4. To purchase, take on lease, hire, exchange or otherwise acquire or sell any movable or immovable property, assets, rights, privileges, and businesses from promoters or others and in particular land, buildings, easements, machinery, plant and stock in trade for the purposes of business of the Company and to adopt and ratify agreements or deeds executed in connection therewith by such persons, companies and promoters.
5. To insure the whole or any part of the property, assets, rights and obligations of the Company, either fully or partially, to protect and indemnify the Company from liability or loss in respect thereof either fully or partially and also to insure and to protect and indemnify any part or portion thereof.
6. To buy, exchange, repair, alter, improve, convert, import, re-import, export, re-export, all kinds of plants, machinery, apparatus, tools, receptacles, substances, materials, articles and things necessary or convenient for carrying on any of the business or processes of the Company.
7. To undertake the custody of merchandises, goods and materials.
8. To take or otherwise acquire and hold shares and investments in any other company having objects altogether or in part similar to those of this Company or for carrying on any business capable of being conducted so as to directly or indirectly benefit the Company.
9. To establish branches and appoint distributors and agents for or in connection with any of the objects of the Company or to carry on any business or branch of the business which the Company is authorised to carry and to carry on the same by any means or through the agency of any subsidiary company or companies and to enter into any arrangement with such subsidiary company or guaranteeing its liability or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including authority at any time and either temporary or permanently and to close any such branch or business.
10. To construct, improve, maintain, develop, work, manage, undertake or control any buildings, factories or any road ways, warehouses and conveniences of all kinds which may seem calculated, directly or indirectly to advance the Company's interest and to contribute to, subsidise or otherwise assist or take part in the construction, improvement, maintenance, development, working, management, carrying out or control thereof for the attainment of main objects.
11. To purchase or otherwise acquire, assemble, install, set up, erect, construct, lay in, equip, repair, remodel, improve, maintain, operate, hold, own lease, rent, mortgage, sell, convey or otherwise dispose of any and all kinds of electric works, generation of power, hydraulic works, gas works, installation, plant, utilities and marketing infrastructure facilities, shops, laboratories, pipelines, including those for transportation of NG, LNG, CNG, pumping stations, tanks, storage repair shops, power houses, warehouses, terminals, railway sidings, office buildings and structures, cars, railroad equipment, garages, motor and road equipment, telecommunication facilities, telephones and telegraph lines, transmission lines, wireless facilities, roads, bridges, ports, port facilities for import, receipt, loading and unloading of NG, LNG, CNG, docks, jetties, single point mooring terminals, piers, wharves, marine equipment, steamers, tankers, tugs, barges and other vessels and such other machinery, apparatus, instruments, fixtures and appliances in so far as the same may pertain to or be useful in the conduct of the business of the Company.

12. To lend, advance money or give credit to such persons or companies and on such terms and conditions as may seem expedient and in particular to suppliers, customers and others having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of money of or by such person or companies and generally to give guarantees and indemnities subject however to the fact that no banking business as defined in the Banking Regulations Act, 1949 shall be carried out by the Company.
13. To adopt such means of making known the business of the Company as may be deemed expedient and in particular by advertising in electronic media, press, circulars, publications in periodicals, magazines and books and institutions of prizes, rewards and donations with regard to any subject, matter or event.
14. To apply for, purchase or otherwise acquire and protect and renew in any part of the world, any patents, patent rights, brevets, invention, permits, letter of intent, trade marks, trade names, copy rights, brands, labels, designs and other industrial and intellectual property rights which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated, directly or indirectly to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property, rights or information so acquired and to spend money in experimenting upon, testing or improving of any such patents, inventions or rights.
15. To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on scientific and technical researches, experiments and tests of all and to promote studies and research, both scientific and technical by providing, subsidise and endowing, or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing for the remuneration of scientific or technical scholars, researchers, professors, or teachers and by providing for the holding of exhibitions, award of scholarships, prizes and grants to students and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the businesses which the Company is authorise to carry on.
16. To construct, improve, maintain, develop, work, manage or control any buildings, factories, works, warehouses, roads, paths, sidings, wells, reservoirs, bridges, electric workshops, demonstration centres, stores, houses and other buildings including housing for employees and workmen and others and to provide such facilities and conveniences which may seem directly or indirectly to be for the benefit of the Company and to advance its interests.
17. To rent, let or lease or on hire purchase or to let or otherwise let or dispose of any land, building, plant, machinery, equipment, office system or any other property, movable or immovable belonging to the Company.
18. To finance the purchases of any goods, materials and article or articles whether made by the Company or not by way of loan or by the purchase of any such goods, materials and articles or articles and the disposal or letting thereof by sale, hire purchase or otherwise for the attainment of main objects.
19. To enter into any arrangement with any Government authority, central, state, municipal, local or otherwise or any person or company that may seem conducive to the Company's business or objects or any of them and to obtain from any such Government authority, person or company, rights, privileges, charters, contracts, licences and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply therewith.

20. To apply for, promote, obtain or any Act, Charter, privilege, concession, licence authorisation of any Government, State or Municipality, or provision of any order or licence of any authority for enabling the Company to carry out any of its objects into effect or for exercising any of the powers of the Company or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly, to prejudice the interests of the Company.
21. To improve, manage, develop, sell, exchange, lease, mortgage, grant licences, easements and other rights over and in any other manner deal with, turn to account or dispose of the whole of the undertaking, property, assets, rights and effects of the Company or any part thereof, for such consideration and on such terms as the Company may think fit and in particular for shares, debentures or securities of any other Company.
22. Subject to Sections 391 to 394 of the Companies Act, 1956 to amalgamate with, enter into any partnership, partially amalgamate with or acquire any interest in the business of any other company, person or firm carrying on or engaged in or about to carry on or engaged in any business or transaction included in the objects of the company or enter into any arrangement for sharing profits or losses or for any union of interest, joint ventures, reciprocal concession or for co-operation, or for mutual assistance, with any such person, firm or company and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture-stock or securities that may be agreed upon and to hold and retain or sell mortgage and deal with any shares debentures, debenture-stock or securities so received.
23. To underwrite, acquire, take up and hold shares, stocks, debentures, debenture-stock, bonds, obligations and securities by original subscriptions or otherwise issued or guaranteed by any company constituted or carrying on business in any foreign country and debentures, debenture-stock, obligations and securities issued or guaranteed by any Government, Sovereign Ruler, Commissioner, body or authority supreme, municipal, local or otherwise, whether at home or abroad and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
24. To establish or promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly, calculated to benefit the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any other company.
- 24A To promote one or more Companies including subsidiaries to carry out any of the objects or business of the Company and to make investment therein and to carry out all formalities required therefor.
25. Subject to Section 293A of the Companies Act, 1956 and in accordance with high ethical and moral standards to make donation to such persons or institutions and in such cases and either in cash or any other asset as may be directly or indirectly conducive to any of the Company's objects or otherwise expedient and in particular to remunerate any person or corporation introducing business to the Company and to subscribe, contribute or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, national public or other institution objects or for any exhibition or for any public, general or other objects and to establish and support to aid and support the establishment or associations, institutions, funds, trusts and



conveniences for the benefit of the employees or ex-employees (including Directors) of the Company or of persons having dealings with the Company or the dependants or relatives of such persons and in particular friendly or other benefit societies and to grant pensions, allowance, gratuities and bonuses either by way of monthly, half yearly or annual payment or a lump sum and to make payments towards insurance of and to form and contribute to provident and benefit funds of or for such persons.

26. To sublet, subcontract, underlet all or any contracts from time to time and upon such terms and conditions as may be deemed expedient.
27. To offer for tender, purchase or otherwise acquire any contract, subcontract, licences and concessions or in relation to the businesses which the company is authorised to carry on or which can be conveniently carried on with the business of the Company and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
28. Subject to the provisions of Sections 58A, 292, 293 and 370 of the Companies Act, 1956 to borrow or raise moneys or receive moneys, in such manner as may be deemed expedient and in particular by issue of debentures or debenture stock (perpetual or otherwise) and to secure the repayment of any moneys borrowed, raised or owing or the obligations incurred by the Company by mortgage, charge, lien or other instruments upon all or any of the properties, assets or rights of the Company (both present and future) including its uncalled capital and profits and to secure and guarantee the performance by the Company or any other person or company of the obligations undertaken by the Company or for the benefit of the Company.
29. To invest the moneys of the Company in such manner as may from time to time be deemed expedient and in particular to invest any moneys of the Company not immediately required for the purposes of its business, in such manner including lending of the same to such parties and on such terms with or without security as may be thought to be in the interest of the Company and in particular to suppliers and customers of and persons having dealings with the Company or carrying on any business which may be useful or beneficial to the Company.
30. To employ, experts, consultants, and other persons to investigate and examine the conditions, prospects, value, character and circumstances of any business concerns, undertakings, projects and proposals and generally of any assets, property or rights and privileges of any kind.
31. To buy, import, modify, treat, produce, assemble, prepare, process all kinds of materials, goods, products, merchandise, commodities, equipment, apparatus, appliances, tools, implements, substances, materials and other articles and things connected with or required or necessary for carrying on all or any of the business the Company is authorised to carry on or which are ancillary or allied thereto for the attainment of main object.
32. To promote, carry on, maintain and develop trade of all kinds and trade, industrial, commercial and financial relations of every kind and description in all matters connected with objects of the Company.
33. In furtherance to the objects of the Company, inter-alia to :
  - (a) enter into negotiations, collaborations, technical, financial or otherwise with any Government, person, firm company, body corporate or institution for obtaining grant of licence, concession, permission, or approval or for any formulae and other rights and

benefits; technical information, know-how and expert advice for the exploration, production, processing, manufacture, export, import or sale of NG, LNG, CNG including petroleum gas, and derivatives thereof, whether liquid, solid or gaseous, from time to time, and other products and goods which the Company is authorised to produce, process or deal in ;

- (b) pay to any person or any other entity such remuneration and fees and to otherwise recompense them for their time and the services rendered by them and their contractors, employees and associates in any capacity, to the Company.
34. To arrange for the marketing and sale of the products and by-products of the Company and the purchase or otherwise acquisition of all raw materials, ancillaries, consumable goods and articles as are normally necessary for carrying on the business of the Company and for that purpose either to establish its own shops, agencies or marketing or purchase organisations or to appoint selling agents and distributors and buying agents in any place in or outside India on such terms and conditions and on such remuneration to such agents or distributors in such manner as may be deemed expedient.
35. To create any depreciation fund, reserve, reserve fund, sinking fund or any other special fund whether for redemption of debentures or debenture-stock, for special dividends, for repairing, improving, extending and maintenance of any property rights or assets of the Company or for any other purpose.
36. To distribute any of the assets or property of the Company amongst the Members in specie or otherwise subject to the provisions of the Companies Act, 1956.
37. To refer or agree to refer any claims, demands, disputes or any other question, by or against the Company or in which the Company is interested or concerned and whether between the Company and the member or members or its or their representatives or between the Company and or any third party, to arbitration in India or at any place outside India and to observe and perform and do all acts, deeds, matters and things to carry out or enforce the awards.
38. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital including brokerage and commissions for obtaining applications or for taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.
39. To undertake and execute any trusts and undertakings of which may seem to the Company to be desirable and either gratuitously or otherwise.
40. To draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants, commercial papers, debentures and other negotiable or transferable instruments or securities and to undertake financial and commercial obligations, transactions and operations of all kinds.
41. To pay for any rights or property acquired by the Company and to remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of shares in the Company's capital or any debentures, debenture stock in the Company's capital or other securities of the Company or in or about the formation or promotion of the Company or the acquisition of any property by the Company or the conduct of its business, whether by cash payment or by the allotment of shares, debentures or other securities of the Company, credited as paid up in full or in part or otherwise.

42. To establish in any part of the world the foregoing objects as principals, agents, factors, trustee, contractor or otherwise, either alone or in conjunction with any other person, firm, association corporate body, municipality, province, state or government or colony or dependency thereof.
43. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any or all states, territories, possessions, colonies and dependencies thereof and in any or all foreign countries and for this purpose to have and maintain and to discontinue such number of offices and agencies herein as may be convenient.
44. To procure the Company to be registered or recognised in any part of the world or to obtain recognition of the Company and required authorisation, licenses and approvals to carry on business therein.
45. To do any or all of the above things either as principals, agents, trustees, contractors or otherwise and by or through agents, subcontractors, trustees or otherwise and either alone or in conjunction with others.
46. To borrow or otherwise obtain or raise funds for the Company with or without any security and to mortgage or take on mortgage, lease, take on lease, exchange or otherwise deal in assets or property moveable or immovable including land, buildings and hereditaments of any nature or tenure, freehold or otherwise for residential or business purposes in connection with the business of the Company.
47. To procure, acquire or develop and supply, patents, inventions, models, designs, scientific or industrial formulae or processes.
48. To do, undertake and perform all such other acts, deeds and things as may be deemed necessary or expedient or may appear to the Company to be incidental or conducive to the attainment of the objects of the Company.
49. To acquire, hold, lease, licence, develop or deal in land, buildings, houses, flats, bungalows and shops.
50. To develop and maintain green belts near or around plants, residential colonies, places public or otherwise and to plant or re-plant trees of any or all kinds either with a view to control pollution or for beautification or otherwise and to maintain the same and to carry out such activities which would be necessary or conducive for the same.
51. To purchase and acquire secret processes, methods and formulae in connection with any of the objects of the Company and specifications and designs for the apparatus and equipment related thereto and to pay for the same by the allotment of fully paid shares of the Company or in any other way or manner under any agreement or agreements entered into for that purpose.
52. To lay out and prepare any lands and grounds for any kind of sports including athletics and for the playing of such sports or other kind of amusement or entertainment and to construct, own, acquire, lease, manage, operate and maintain, stadias, stands and other buildings, facilities and conveniences for the same or use in connection therewith.
53. To search for, get, acquire, win, work, raise, make merchantable, buy, sell or otherwise deal in metals, minerals, oils, gases and fuels whether found in a natural state or obtained by processing from other substances and to carry on business relating to the winning, production, working, manufacture and preparation of any materials used in the production of any of the above mentioned items or which may usefully or conveniently be combined with the manufacturing or engineering business of the company or any contracts undertaken by the Company and either for only such purpose or as an independent business.

54. To manage land, buildings, and other property, whether belonging to the Company or not and to let out portion of any premises for residential, trade or business purposes or other private or public purposes or to buy and sell the same.
55. To take part in the supervision and control of the business or operations of any company or undertaking and for that purpose to appoint and remunerate any Directors, Trustees, Accountants or other experts and/or agents.

**(C) OTHER OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED :-**

1. To act as technical advisers, consultants, market surveyors, administrators, receivers, agents and providers of technical know-how, management, financial and technical consultants and other services to any firm, company, body corporate, persons, institution, Government, public or local authority or trust and to do research in the development of new processes, goods, materials, articles, items and in the development of new processes and for that purpose to set up scientific research centres and facilitate in India and abroad and to undertake, aid, promote and co-ordinate project studies, arrange collaborations, prepare schemes, project reports, market research and other studies, communicate and arrange and enter into technical, financial, legal and management agreements and arrangements, provide management, personnel supervisors and set up production lines, techniques, assist in finding markets for goods of every description whether of Indian or foreign origin and assist in securing investments of Indian or foreign capital in India.
2. To act, undertake and execute all types of projects, turnkey or otherwise and of other works in India and abroad and to give new entrepreneurs of industries and to those already established in industries, suggestions, advises, or provide new techniques or improvements in the techniques and methods of production, utilisation of plant and machinery including methods, procedures and for inventory control and management.
3. To act as stockists, commission agents, manufacturing representatives or agents, selling and purchasing agents, distributors, brokers, trustees, attorneys, and generally to undertake and carry out agency work of any kind whatsoever for any other company, firm, corporation, person or institution.
4. To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare of or the uplift of the public or any rural area and to incur any expenditure on any programme of the rural development, to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing "programme of rural development" shall also include any programme for promoting the social and economic welfare of or the uplift of the public of any rural area which the Directors consider it likely to promote and as may be regarded as rural area under the relevant provisions of the Income-Tax Act, 1961 or any other law relating to rural development for the time being in force in order to implement any of the above mentioned objects or purposes, transfer without consideration or at such fair or concessional value and subject to divest the ownership of any property of the Company to or in favour of any public, or local body or authority or Central or State Government or any public constitution or trust or fund as approved by the Central Government or State Government or any other appropriate authority.

5. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging social and moral responsibilities of the Company to the public or any section of the public and also any activity likely to promote national welfare or social, economic or moral uplift of the public and in such manner undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers or for organising lectures or seminars likely to advance these objects or for giving merits, awards, scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, fund, trust or like body having any one of aforesaid objects as one of its objects, by giving donations or otherwise in any manner in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value and subject to the provisions of the Companies Act, 1956, divest the ownership of any property of the Company to or in favour of any public or local body or authority or Central or State Government or any public institution or trust or fund as approved by the Central or any State Government or any other appropriate authority.
  6. To act as trustees, executors, administrators, attorney, nominees and agents and undertake and execute trusts of all kinds and (subject to compliance with any statutory conditions) to exercise all the powers of custodians, trustees, and trust corporations.
  7. To carry on the business of electrical engineers, electricians, contractors, manufacturers, suppliers of and dealers in electrical and other appliances, and to generate, accumulate, despatch and supply electricity and to manufacture and deal in all apparatus and things connected with the generation, distribution, supply, accumulation and employment of electricity including electricity from solar energy, hydro energy or other sources.
  8. To carry on business as dealers, stockists, distributors, importers and exporters of general goods, commission agents, clearing and forwarding agents, and shipping agents and to carry on all or any of the business of wholesale and retail in all kinds of merchandise, machinery and equipment, steel, chemicals, dyes and oils.
  9. To carry on business as manufacturers of or dealers in or as stockists, importers and exporters of and to buy, sell or otherwise deal in equipment required for generation, distribution and transmission of electric energy, and in cables, motors, fans and lamps of all kinds.
  10. To carry on and undertake the business of investment, hire-purchase or leasing or hiring, acquiring or dealing in all kinds of plant, equipment and machinery, ships, vessels and other assets moveable and immovable as may be deemed appropriate by the Company.
  11. To manufacture, import, export, deal in, market or prepare for market, revise, clean, restore, recondition, treat and otherwise manipulate and deal and turn to account by any process or means whatsoever all by-products, refuse and waste; and other products capable of being manufactured or produced out or with the use of all or any raw materials, ingredients, substances or commodities used in the manufacture of all or any of the product which the Company is entitled to manufacture or deal in and to make, such other use of the same as may be thought fit.
- IV. The liability of the members is limited.
- V. The Authorised Share Capital of the Company is Rs. 30,00,00,00,000/- (Rupees Three Thousand Crore) divided into 3,00,00,00,000 (Three Hundred Crore) Equity Shares of face value of Rs. 10/- (Rupees Ten) each.  
(Amended and approved by Shareholders through Postal Ballot on 20<sup>th</sup> June, 2017)

We, the several persons whose names, addresses are subscribed are desirous of being formed into a Company in pursuance of this Articles of Association

Name, Fathers Name, Address, Description & Occupation of the Subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Name, Fathers name, Address, Description & Occupation of Witnesses
Gas Authority of India Ltd., 16, Bhikaiji Cama Place, R.K.Puram, New Delhi- 110 066 Represented by :- Raj Pal Sharma S/o Shri Har Prasad Sharma, 803, Asian Games Village, New Delhi-110 049 Occupation :- Service Designation :- Director (Projects) Acting	Twenty Five (25)	Sd/-	(Sd/-) Mahendra Kumawat S/o Ram Kumar Kumawat, Gas Authority of India Ltd., 16, Bhikaiji Cama Place, R.K.Puram, New Delhi- 110 066 Occupation :- Service
Kamta Prasad Roy S/o Shri Krishna Roy, E-63, Asian Games Village, New Delhi- 110 049 Occupation :- Service Designation :- General Manager (LNG)	Twenty Five (25)	Sd/-	(Sd/-) Mahendra Kumawat S/o Ram Kumar Kumawat, Gas Authority of India Ltd., 16, Bhikaiji Cama Place, R.K.Puram, New Delhi- 110 066 Occupation :- Service
Oil & Natural Gas Corporation Limited Jeevan Bharati Building, Tower II, IV Floor, 124, Connaught Circus New Delhi -110 001 Represented by :- Subhash Chander Jetly, S/o Late Shri Yashoda Nandan Shastri D-754, AGVC, New Delhi- 110 049 Occupation :- Service Designation :- Executive Director (Joint Ventures & Business Development)	Twenty Five (25)	Sd/-	(Sd/-) Vijay Misra S/o Chandra Bhal Misra 34(B), SDF, Green View Apartment, Sector-15A, NOIDA- 201 301 Occupation :- Service
Indian Oil Corporation Limited, Indianoil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East). Mumbai- 400 051 Represented by :- Raghunathachary Narayanan S/o Late S. Raghunathachary, 706, Indianoil Nagar, J.P.Road, Andheri (West), Mumbai- 400 053 Occupation :- Service Designation :- Company Secretary	Twenty Five (25)	Sd/-	(Sd/-) Tapan Datta S/o Satya Ranjan Datta D-601, BPCL Housing Complex, Sector-56, NOIDA- 201 301 Occupation :- Service
	C/f 100 (One Hundred)		

Place: New Delhi

Date: 24th March, 1998

Name, Fathers Name, Address, Description & Occupation of the Subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Name, Fathers name, Address, Description & Occupation of Witnesses
Bharat Petroleum Corporation Limited, Bharat Bhavan, 4 & 6, Currimbhoy Road, Ballard Estate, Mumbai - 400 001 Represented by :- Kashinath Manikshetti, S/o Shamrao Manikshetti, Flat No.35, BPC Tower, 1-A, Altamount Road, Mumbai - 400 026 Occupation :- Service Designation :- Executive Director Occupation :- Service Designation :- Executive Director (C.A.)	B/f 100 (One Hundred)  Twenty Five (25)	Sd/-	(Sd/-)  Tapan Datta S/o Satya Ranjan Datta, D-601, BPCL Housing Complex Sector-56, NOIDA- 201 301 Occupation :- Service
Kalapalli Babu Venkata Narayan, S/o Late Shri K. Nageswara Rao Flat No. 23, 1-A, Alamont Road, Mumbai- 400 026 Occupation :- Service	Twenty Five (25)	Sd/-	(Sd/-)  Tapan Datta S/o Satya Ranjan Datta, D-601, BPCL Housing Complex Sector-56, NOIDA- 201 301 Occupation :- Service
Dr. Ashok Kumar Balyan, S/o. Late Shri Bhupal Singh A-13, Parwana Apartments, Mayur Vihar Phase-I, Delhi - 110 091 Occupation :- Service	Twenty Five (25)	Sd/-	(Sd/-)  Sanjeev Kalkran S/o Shri B.S. Kalkran, A-67, Parwana Apartments, Mayur Vihar Phase-1, Delhi- 110 091
Narender Singh, S/o Late Shri Sunder Singh Flat No. 2395, Pocket C-II, Vasant Kunj, New Delhi-110 070 Occupation :- Service	Twenty Five (25)	Sd/-	(Sd/-)  Raghubir Singh Bisht S/o Late N.S.Bisht H. No. 23, Type-II, Minto Road, New Delhi - 110 002 Occupation :- Service
<b>TOTAL</b>	200 (Two Hundred)		

Place : New Delhi

Date : 24<sup>th</sup> March, 1998

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**THE COMPANIES ACT, 1956**  
**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**  
**OF**

**PETRONET LNG LIMITED**  
**(As amended on 27<sup>th</sup> August, 2019)**

**PRELIMINARY**

**1. TABLE "A" TO APPLY EXCEPT AS SPECIFICALLY EXCLUDED OR MODIFIED OR ALTERED**

The Regulation contained in Table "A" in Schedule 1 to the Companies Act, 1956 shall apply to the Company except in as far as specifically excluded or modified or altered or otherwise expressly incorporated hereinafter.

**2. INTERPRETATION**

a) In these presents, the following words and expressions shall have the following meanings, unless excluded by the subject or context:

b) **"Act"** shall mean the Companies Act, 1956, as amended from time to time or any other succeeding legislation.

**"Affiliate"** in relation to any entity shall mean a person of which such entity, is owner or beneficial owner of not less than fifty one percent (51%) of the paid up capital and has substantial management control.

**"Annual Budget"** means the estimated cost of carrying out an Annual Business Plan as approved in accordance with these Articles of Association.

**"Annual Business Plan"** means the business plan of the Company for each Financial Year as approved in accordance with these Articles of Association.

**"Annual General Meeting"** shall mean a general meeting of the members held in accordance with the provisions of Section 166 of the Act including any adjournments thereof.

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

**"Board" or "Board of Directors"** shall mean the board of Directors of the Company.

*Note 1:* These Articles of Association were comprehensively amended and approved by Shareholders in the EGM held on 29<sup>th</sup> April, 2002.

*Note 2:* These Articles were further amended and approved by the Shareholders in the EGM held on 28<sup>th</sup> November, 2003.

*Note 3:* These Articles were further amended and approved by the Shareholders in the EGM held on 23<sup>rd</sup> December, 2003.

*Note 4:* These Articles were further amended and approved by the Shareholders in its 9<sup>th</sup> AGM held on 14<sup>th</sup> June, 2007.

*Note 5:* These Articles were further amended and approved by the Shareholders in its 12<sup>th</sup> AGM held on 24<sup>th</sup> June, 2010.

*Note 6:* These Articles were further amended and approved by the Shareholders in its 16<sup>th</sup> AGM held on 18<sup>th</sup> September, 2014.

*Note 7:* These Articles were further amended and approved by the Shareholders in its 21<sup>st</sup> AGM held on 27<sup>th</sup> August, 2019.

“**BGRL**” shall mean Bharat Gas Resources Limited, a company registered under the provisions of the Act and its successors and permitted assigns. **(Approved by the Shareholders in its 21<sup>st</sup> Annual General meeting held on 27<sup>th</sup> August, 2019)**

“**BPCL**” shall mean Bharat Petroleum Corporation Limited, a company registered under the provisions of the Companies Act, 1913 and its successors and permitted assigns.

“**Business Day**” means Monday to Saturday (both inclusive) excluding any official public holidays in Delhi.

“**Business**” means the business of the Company as described in the main objects clause of its Memorandum.

“**Cap**” shall have the meaning assigned to it under Article 34(a).

“**Capital**” shall mean the share capital for the time being raised or authorised to be raised for the purpose of the Company.

“**Capital Contribution Plan**” shall mean the program, pursuant to which the Shareholders will subscribe to Equity Shares to meet Cash Calls as set out in the Strategic Business Plan/Annual Business.

“**Capital Redemption Reserve Account**” shall have the meaning assigned to it under Article 6(d).

“**Cash Call**” shall mean any request for payment of cash made by the Company to the Shareholders under the relevant Capital Contribution Plan.

“**Chairman**” has the meaning given in Article 137 of this Agreement.

“**CIMBIR**” has the meaning given to it in Article 30(c).

“**Company**” or “**The Company**” shall mean Petronet LNG Limited.

“**Dahej Project**” means the project for the setting up of a solid cargo port and a LNG Terminal along with associated facilities such as jetty, storage tanks, regasification plants etc. at Dahej, State of Gujarat, India with a capacity of 5 million metric tones per annum.

“**Debenture**” includes debenture stock.

“**DFR**” shall mean the detailed feasibility report prepared or to be prepared for any Project pursuant to Article 168.

“**Directors**” shall mean the directors for the time being of the Company including additional, wholtime and alternate Directors.

“**Expansion**” shall mean any increase or expansion of capacity of any existing or new Terminal.

“**Equity Share or Shares**” means an issued and fully paid up equity share(s) of Rupees 10/- in the Capital of the Company.

“**Equity**” shall mean the entire issued and paid up equity share capital of the Company from time to time.

“**Extraordinary General Meeting**” shall mean any Meeting other than the Annual General Meeting of the Members duly called and constituted and any adjourned holding thereof.

“**Fair Market Price**” shall have the meaning assigned to it in Article 30(c).

“**Financial Year**” means a period from April 1 of a particular year to March 31 in the following year

“**Financing Documents**” shall mean any agreements or undertakings executed by the Company for the benefit of the banks and financial institutions that have provided financial assistance to the Company.

“**GAIL**” shall mean Gas Authority of India Limited, a company registered under the provisions of the Companies Act, 1956 and its successors and permitted assigns.

“**Dahej Concession Agreement**” shall mean the concession agreement dated 20 December 2005, entered amongst GMB, the Company and the Government of Gujarat. **(Approved by the Shareholders in its 21<sup>st</sup> Annual General meeting held on 27<sup>th</sup> August, 2019)**

GDFI DELETED (Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019)

**“General Meeting”** shall mean a meeting of the members duly called and constituted and any adjourned holding thereof.

**“GOI”** shall mean the President of India for the time being through the Ministry of Petroleum and Natural Gas, Government of India and shall include any successors thereof.

**“Government Company(ies)”** means companies in which the Government of India’s shareholding exceeds 50%, and includes subsidiaries of such Government Companies.

**“IOC”** shall mean Indian Oil Corporation Limited, a company registered under the provisions of the Companies Act, 1956 and its successors and permitted assigns

**“Investor Shareholders”** shall mean BGRL, GAIL, IOC and ONGC collectively and “Investor Shareholder” shall mean either BGRL or GAIL or IOC or ONGC. (Amended and Approved by the Shareholders in its 21<sup>st</sup> Annual General meeting held on 27<sup>th</sup> August, 2019)

**“Kochi Project”** means the project for the setting up of LNG Terminal along with associated facilities such as jetty, storage tanks, regasification plants etc. at Kochi, State of Kerala, India with a capacity of 2.5 million metric tones per annum.

**“LNG”** means liquefied natural gas.

**“Material Contract”** shall mean any of the engineering-procurement-construction-commissioning contract, project management contract (PMC), LNG sale and purchase agreement, gas supply agreements, credit facilities (including loans and the granting of guaranties or securities by the Company having a financial implication in excess of Rupees one crore), operation and maintenance agreement, or any other contract material to a Project of the Company.

**“Member or Shareholder”** shall mean the registered holder from time to time of the Shares in the Capital of the Company and includes a subscriber of the Memorandum of Association of the Company.

**“New Project(s)”** has the meaning given in Article 168.

**“ONGC”** shall mean Oil And Natural Gas Corporation Limited, a company registered under the provisions of the Companies Act, 1956 and its successors and permitted assigns.

**“Office”** shall mean the registered office for the time being of the Company.

**“Ordinary Resolution”** and **“Special Resolution”** shall have the respective meanings assigned to them by Section 189 of the Act.

**“Paid-up”** in relation to the Capital includes credited as paid-up.

**“Person”** shall mean any individual firm, trust, partnership, body corporate, other business entity or any statutory corporation.

**“Project Structure”** means the financial and technical parameters in respect of a Project as approved at a meeting of the Board.

**“Promoter”** or **“Promoters”** shall mean, individually or collectively, as the case may be, BPCI., GAIL, IOC, and ONGC.

**“Project”** shall mean any infrastructure project undertaken by the Company in accordance with any Strategic Business Plan and/or Annual Budget.

**\*\*“GMB”** means Gujarat Maritime Board. (Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019).

The “**Registrar**” shall mean the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.

“**Register of Members**” shall mean the Register of Members to be kept pursuant to the Act.

“**Reserved Matters**” means those matters defined in Article 136(c).

“**Seal**” shall mean the common seal for the time being of the Company.

“**Search Committee**” shall mean committee constituted by the Board for selection of Managing Director and other Whole Time Directors on the Board of the Company and shall comprise Members nominated by the Board for this purpose.

“**Secretary**” shall mean any individual possessing qualification prescribed for the time being by any rules made under the Act and appointed by the Board to perform the duties, which may be performed by a Secretary under the Act and other ministerial or administrative duties.

“**Strategic Business Plan**” or “**Strategic Plan**” shall mean a business plan (including Capital Contribution Plan) for five years adopted at a meeting of the Board in respect to the present and future business of the Company and includes the first Strategic Business Plan for 2001-2006 duly approved by the Board.

“**Terminal**” means an LNG import, storage and regasification terminal.

“**Written**” and “**In Writing**” includes typing, printing, lithography and other modes of representing or reproducing words in a visible form.

- c) Words importing the masculine gender shall include the feminine gender and vice versa.
- d) Words importing the singular shall include the plural, and vice versa.

### 3. **INCREASE OF CAPITAL AND RETURN OF ADVANCE AGAINST EQUITY**

- a) The Company may in a General Meeting from time to time by Ordinary Resolution increase its Capital by the creation of new shares of one or more class and of such amount or amounts as may be deemed expedient.
- b) In the event that the Company fails, for any reason whatsoever, to allot necessary Equity Shares to each of the Investor Shareholders in respect of the amount of share application money pending allotment received from such Investor Shareholder, within a period of 5 years from the date of receipt of such amount, then any Investor Shareholder to whom allotment has not been made by the Company based on its share application monies shall have the right to require the Company to cancel its relevant allotment and to return within 30 days of such request being made its respective share application money(ies) pending allotment.

### 4. **ISSUE OF FURTHER SHARES**

4 (1). Where at the time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of the unissued capital or out of the increased share capital then:

- (a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the Equity Shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.
- (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer, if not accepted, will be deemed to have been declined.
- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in (b) above shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any Member may renounce the shares offered to him.
- (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner and to such person(s) as they may, in their sole discretion, think fit.

4 (2). Notwithstanding anything contained in sub-article (1) above, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in Article 4(1)(a) above) in any manner whatsoever:

- (a) if a special resolution to that effect is passed by the Company in General Meeting; or
- (b) where no such special resolution is passed, if the votes cast (whether on show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any, of the Chairman) by the Members who, being entitled to do so vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company; and
- (c) In case of the Company having issued debentures or taken loans with an option for conversion into shares, other than such debentures issued to or such loans obtained from Government, that have been approved by a special resolution passed by the Company in General Meeting prior to the issue of such debentures or raising of such loans.

4(3). Nothing in Article 4(1)(c) above shall be deemed:

- (a) to extend the time within which the offer should be accepted; or
- (b) to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

4 (4). Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loan raised by the Company:

- (i) to convert such debentures or loans into shares in the Company; or

- (ii) to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise):
- (iii) Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:
  - (a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf; and
  - (b) in the case of debentures or loans or other than debentures issued to or loan obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loan.

#### **4A LIMITS OF GOVERNMENT HOLDING**

Notwithstanding anything contained in these Articles , at any given point of time , not more than fifty percent (50%) of the Company's share capital shall be held, whether directly or indirectly, by the Government , including any Government Company and public sector undertakings

#### **5: REDEEMABLE PREFERENCE SHARES**

Subject to the provisions of Section 80 and 80A of the Act, the Company shall have the power to issue preference shares which are, or at the option of the Company are liable, to be redeemed but never be later than 10 years from the issue, as applicable, and the redemption of preference share hereunder may be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may in their sole discretion think fit.

#### **6. PROVISIONS TO APPLY ON ISSUE OF REDEEMABLE PREFERENCE SHARES**

On the issue of redeemable preference shares under the provisions of Article 5 hereof, the following provisions shall take effect:

- a) No such redeemable preference Shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.
- b) No such redeemable preference shares shall be redeemed unless they are fully paid.
- c) The premium, if any, payable on redemption of such redeemable preference shares shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the shares are redeemed.
- d) Where any such redeemable preference shares are redeemed otherwise than from the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve account to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserc Account were paid-up share capital of the Company.

**7. NEW CAPITAL SAME AS EXISTING CAPITAL**

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

**8. REDUCTION OF CAPITAL**

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

**9. SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARES**

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

**10. MODIFICATION OF RIGHTS**

Whenever the Capital, by reasons of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act be modified, commuted, affected or abrogated or dealt with by an agreement in writing between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issue shares of the class or is confirmed by a Special Resolution passed at a separate General Meeting of the holders of shares of that class.

**11. BOARD MAY ACCEPT SURRENDER OF SHARES**

Subject to the provisions of Sections 100 to 105 (both inclusive) of the Act, the Board may accept from any Member on such terms and conditions as shall be agreed, a surrender of all or any of his shares.

**12. DELETED.**

## **SHARES AND CERTIFICATES**

### **13. REGISTER AND INDEX OF MEMBERS**

The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. 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.

### **14. SHARES TO BE NUMBERED PROGRESSIVELY AND SUBDIVISION OF SHARES**

The shares in the Capital shall be numbered progressively according to their denominations and, except in the manner herein before mentioned, no share shall be subdivided. Every forfeited or surrendered share(s) shall continue to bear the number by which the same was originally distinguished.

Share certificates shall be issued in marketable lots. Where Share Certificates are for either more or less than marketable lots, sub-division/consolidation to make marketable lots shall be done free of charge.

### **15. SHARES AT THE DISPOSAL OF THE DIRECTORS**

Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

### **16. POWER ALSO TO COMPANY IN GENERAL MEETING TO ISSUE SHARES**

In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in a General Meeting may, subject to Article 35(a) and the provisions of Section 81 of the Act, by Ordinary or Special Resolution as the case may be determine that any shares, other than a bonus share issue (whether forming part of the original capital or of any increased capital of the Company) shall be offered to any person (whether a Member or not) in such proportion and on such terms and conditions and (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option to call for or be allotted shares of any class of the Company either



(subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such time and for such consideration as may be directed by such General Meeting or the Company in a General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.

**17. ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH**

Subject to these Articles and the provisions of the Act, the Board may issue and allot shares in the capital of the Company as payment or in consideration of as part payment or in part consideration of, the purchase or acquisition of any property or for services, rendered to the Company in the conduct of its business and shares which may be so issued or allotted shall be credited or deemed to be credited as fully paid up or partly paid up shares.

**18. ACCEPTANCE OF SHARES**

Any application by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares by the applicant within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Articles be a Member.

**19. PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

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

Subject to the provisions of Section 92 of the Act, the Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, whole or any part of the monies due on the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate to the Member paying such sum in advance as the Board agrees upon. The Board may any time repay the amount so advanced.

The Members paying such sum of advance shall not be entitled to any voting rights, profits or dividends in respect of the monies so paid by them in advance until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

**20. LIABILITY OF MEMBERS**

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

## **21. LIMITATION OF TIME FOR ISSUE OF CERTIFICATES**

- (a) Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in its name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person(s) appointed by the Board for the purpose, and two Directors or their attorney and the Secretary or some other persons appointed by the Board for the purpose, shall sign the share certificates, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a managing Director or whole-time Director. Every certificate of shares shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the Directors may prescribe or approve. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the persons,

to whom it has been issued, indicating the date of issue.

- (b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of the joint ownership, may be delivered to any one of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a fee not exceeding Rupees one.

The Company shall comply with the provisions of Section 113 of the Act.

- (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical device, such as engraving in metal or lithography, but not by means of a rubber-stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
- (d) For the issuance of any Capital, the Company shall comply with the provisions of “The Companies (Issue of Share Certificate) Rules, 1960” or any statutory modification or re-enactment thereof.

### **21-A. DEMATERIALISATION OF SECURITIES**

- (a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the provisions of Depositories Act, 1996.
- (b) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if

permitted by applicable law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities. If such a person opts to hold his securities with the depository, the Company shall intimate to such depository the details of allotment of the security and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the securities.

- (c) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in section 153 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
- (d) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (e) Save as otherwise provided in (d) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (f) Every person holding shares of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a Member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

## **22. ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED**

- a) No certificate of any share or shares shall be issued either in exchange for those which are subdivided or consolidated or in replacement of those which are defaced, torn, old, decrepit, worn out, or where the cages on the reverse, for recording transfers have been fully utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.
- b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is “issued in lieu of a Share Certificate No. subdivided/replaced/on consolidation of shares”
- c) If a share certificate is lost or destroyed, then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate as per applicable law. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit, mutilated or worn out or where there is no further space on the back thereof for endorsement of transfer and are surrendered to the Company.
- d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is “Duplicate issued in lieu of Share Certificate No.”. The word “Duplicate” shall be stamped or punched in bold letters across the face of the share certificate.

- e) Where a new share certificate has been issued in pursuance of Clause (a) or Clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the name of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remark" column.
- f) All blank forms to be used for the issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank form shall be consecutively machine numbered on the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose, and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- g) The managing Director of the Company for the time being or, if the Company has no managing Director every whole time Director and if the Company has no whole time Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificate referred to in sub-Article (f) above.
- h) All books referred to in sub-Article (g) above shall be preserved in good order permanently.
- i) For the purposes of this Article the expression "The Board" or "The Board of Directors of the Company" shall bear the same meaning as these expressions bear in The Companies (Issue of Share Certificates) Rules, 1960.
- j) Notwithstanding what is stated above, the Directors shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or the rules made under the Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable in this behalf.

The provisions of this Article 22 shall mutatis mutandis apply to debentures of the Company.

## **23. COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER**

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share, other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them not exceeding three persons.

### **23(A). THE FIRST NAMED OF JOINT-HOLDERS DEEMED SOLE HOLDER**

If any share stands in the names of two or more persons, the person first named in the Register shall as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be

deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share and for incidents thereof according to the Company's regulations.

**24. DECLARATION BY PERSON NOT HOLDING BENEFICIAL INTEREST IN ANY SHARES**

- a) Notwithstanding anything herein contained a person whose name is at any time entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share, shall, if so required by the Act, within such time and in such form(s) as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in the manner provided in Section 187C of the Act.
- b) A person who holds a beneficial interest in a share or a class of shares of the Company, shall, if so required by the Act, within the time prescribed, after his becoming such beneficial owner make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act.
- c) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act.
- d) Notwithstanding anything contained in the Act and Article 24 hereof, where any declaration referred to above is made to the Company, the Company shall if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration, a return in the prescribed form with the Registrar with regard to such declaration.

**25. FUNDS OF THE COMPANY MAY NOT BE APPLIED IN PURCHASE OF SHARES OF THE COMPANY**

None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company save as provided by Sections 77, 77A, 77AA and 77B of the Act.

**UNDERTAKING & BROKERAGE**

**26. COMMISSION MAY BE PAID**

Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring or agreeing to procure subscription (whether absolute or conditional) for any shares or debentures in the Company but so that the commission shall not exceed in the case of shares, five percent

of the price at which the shares are issued and in case of debentures two and a half percent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

## **27. BROKERAGE**

The Company may, subject to the provisions of Section 76 of the Act, pay a reasonable sum for brokerage.

## **INTEREST OUT OF CAPITAL**

## **28. INTEREST MAY BE PAID OUT OF CAPITAL**

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

## **FUNDING MECHANISM AND DEFAULT IN FUNDING**

## **29. FUNDING POLICY**

- a) The Board shall make Cash Calls on each of the Investor Shareholders in accordance with the applicable Capital Contribution Plan, for the relevant Financial Year. Such Cash Calls shall be made by a notice in writing issued by the person authorised by the Board specifying therein the amount to be subscribed, particulars of the designated account of the Company (Designated Account) and the date by which the Investor Shareholders shall make the payment (Specified Date). The Specified Date for payment shall be one month after the date of delivery of the said notice.  
Cash Calls to be made by the Company shall be strictly in proportion to the shareholding percentage of the respective Investor Shareholders, the Cash Call shall not exceed the actual capital requirement of the Company for the relevant Financial Year, and all issue and subscriptions shall be made at a price which is identical for all the Investor Shareholders.
- b) Each Investor Shareholder shall make the payment into the Designated Account on or before the Specified Date without any deduction whatsoever.
- c) The Company shall on receipt of full subscription against the respective Cash Call by the Company, proceed to allot Equity Shares to the Investor Shareholders simultaneously. Subject to Article 30(e), no Equity Share of the Company shall be allotted to any of the Investor Shareholders unless full subscription to the extent of the Cash Call in question has been received from all the Investor Shareholders.
- d) **DELETED (Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019)**

## **29A. FUNDING POLICY – DEBT**

It is the Investor Shareholders' intention and objective that any debt financing arranged for or on behalf of the Company be arranged on non-recourse or limited recourse project financing basis and that any such indebtedness may be secured only by

- (a) The asset of the Company , and
- (b) The cash flow of the Company

It is, however, recognised that the Investor Shareholders may be required to provide completion support to the Project(s) to help the Company to raise finance for the project(s).

## **29B. COMPLIANCE WITH FINANCING DOCUMENTS**

The Company shall comply with the provisions of the Financing Documents and shall take no action which is inconsistent with the provisions of the Financing Documents.

## **30. DEFAULT IN FUNDING**

- a) Subject to Article 29(d), a default by any of the Investor Shareholder(s) to make payments to the Company pursuant to a Cash Call on the Specified Date shall be a material breach by that Investor Shareholder(s) and dealt with in accordance with the provisions below.
- b) If pursuant to a Cash Call, any Investor Shareholder(s) fails to make payment to the Company by the Specified Date, the defaulting Investor Shareholder(s) shall, within a period of 180 days from the expiry of the Specified Date, subscribe to its portion of Equity and make payment in accordance with the Cash Call and further pay interest at the rate of the long term prime lending rate of the State Bank of India on the date of the default plus one percent. The date of default shall be the first Business Day following the Specified Date.
- c) Notwithstanding anything contained in Articles 30(a) and (b) but subject to Article 29(d), if the default is committed by an Investor Shareholder and such default by such Investor Shareholder(s) persists after the expiry of the 180 days specified in Article 30(b) above, then the defaulting Investor Shareholder(s) shall sell its shares to the non-defaulting Investor Shareholder(s) in proportion to their respective shareholdings. For the purpose of this sale, the price payable to the transferor(s) shall be 70% of the Fair Market Price. The fair market price per Equity Share based on 100% fair market value of the Company (Fair Market Price) as determined by a Category I Merchant Banker of international repute (CIMBIR), as per Securities Exchange Board of India regulations, to be mutually selected by the Investor Shareholder within 15 days of the expiry of the 180 period as above. In the event that the Investor Shareholders are unable to agree on the appointment of CIMBIR

to act as an independent assessor, then the non-defaulting Investor Shareholder shall have a period of 15 days from the expiry of the initial 15 day period mentioned above to jointly nominate three CIMB IRs and communicate the same to the defaulting Investor Shareholder. The defaulting Investor Shareholder shall, within 15 days of receiving the names of the three CIMBIR from the non-defaulting Investor Shareholder, select and communicate to the non-defaulting Investor Shareholder, the CIMBIR who will act as the independent assessor to determine the Fair Market Price “(out of the three)” CIMBIR jointly nominated by the non-defaulting Investor Shareholder as above.

In the event the non-defaulting Investor Shareholder fails to nominate and or communicate to the defaulting Investor Shareholder the three joint CIMBIRs within the 15 day period available with them, the defaulting Investor Shareholder may select any CIMBIR to act as the independent assessor to determine the Fair Market Price and communicate the selection within 15 days of expiry of the said 15 day period available with the non-defaulting Investor Shareholder to jointly nominate the CIMBIRs. However, should the defaulting Investor Shareholder fail to make the selection of a CIMBIR “(out of the three (3))” joint nominees of non-defaulting Investor Shareholder or communicate its selection of CIMBIR to the non-defaulting Investor Shareholder in the timeframes specified in this Article then the non-defaulting Investor Shareholder may mutually select any CIMBIRs to act as the independent assessor to determine the Fair Market Price. The Fair Market Price shall be determined by CIMBIR within 45 days of its appointment. The sale/purchase of the Equity Shares shall be completed within 45 days of such determination (“First Period”).

- d) In case the non -defaulting Investor Shareholder fail to purchase all Equity Shares held by the defaulting Investor Shareholder in accordance with Article 30(c), then the defaulting Investor Shareholder shall, in accordance with prevailing Government of India policy, offer such un -purchased shares to other Government Company(ies), in accordance with Article 30(c). In case such Government Company(ies) fail to purchase any such un - purchased Equity shares held by the defaulting Investor Shareholder at 70% of the Fair Market Price determined under Article 30(c) within 90 days of the First Period in accordance with Article 30(c), then other Shareholders excluding the Investor Shareholder, in proportion to their respective Equity shareholding, shall have the option to buy such remaining Equity Shares at 70 % of the Fair Market Price within (90) days of the notice by the selling Investor Shareholder. **(Amended and Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019).**
- e) ~~DELETED~~ **(Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019)**



- f) Where an independent assessor is appointed pursuant to Article 30( c), the Investor Shareholders have agreed amongst themselves that:
- (i) costs in respect of the appointment of, and obtaining of determination of Fair Market Price by such independent assessor shall be shared by the Investor Shareholders where the transfer of shares is completed in accordance with either Article 30(-c) or 37(f). The sharing of costs shall be in proportion to their respective Shareholding percentages; and
  - (ii) in all other cases, the offeror shall be solely liable to bear the costs relating to the appointment of and obtaining of determination of Fair Market Price by such independent assessor.

### **31. LIABILITY OF JOINT HOLDERS**

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

### **32. PROOF ON TRIAL OF SUIT FOR MONEY DUE ON SHARES**

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

## **LIEN**

### **33. COMPANY'S LIEN ON SHARES/ DEBENTURES**

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each Member/Debenture holder (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. Such lien shall extend to all dividends, interests and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

## **GDFI's RIGHTS**

- 34. DELETED (Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019)**
- 35. DELETED (Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019)**
- 36. CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES**
- Upon any sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the persons entitled thereto.

## **TRANSFER AND TRANSMISSION OF SHARES**

- 37. TRANSFER OF SHARES**
- a) The Investor Shareholder desirous of selling their Equity Shares (hereinafter referred to as "the offeror") shall offer the first right of purchase/refusal to the other Investor Shareholders (hereinafter referred to as "the offerees") in the same proportion at which the offerees are holding Equity Shares, mentioning the price and terms on which the sale of such Equity Shares are offered.
- b) Failure by any of the offeree(s) to notify written acceptance of the offer within 60 days from the date of the receipt of the offer shall be deemed refusal to accept the offer to purchase the Equity Shares on the terms stated in the offer.

- c) In case the offeree(s) accept the offer to purchase Equity Shares, but reject the offer price, the offeror and the offerees shall within 30 days from the last date to accept the offer, use the valuation mechanism as set out in Article 30(c) to determine the Fair Market Price. For the applicability of Article 30(c) in this Article, reference to non-defaulting Investor Shareholder and defaulting Investor Shareholder in Article 30(c) shall be construed as references to the offeror and the offeree respectively.
- d) If an independent assessor is appointed in accordance with Article 30(c), a fresh offer may be made by the offeror to the offerees to purchase the Equity Shares so offered, at the Fair Market Price determined by independent assessor for acceptance within 30 days from the date of such offer.
- e) If the offeror does not receive acceptance in respect of all or part of the Equity Shares held by the offeror from the offerees:
  - (i) in the situation mentioned in Article 37(b) above; or
  - (ii) the offerees fail to purchase the shares as mentioned in Article 37(d) above within the prescribed period, the offeror will be free to sell such Equity Shares offered to the offerees but not accepted to be purchased by the offerees to any other party at a price and on the terms not more favourable than the terms at which the Equity Shares were offered to the offerees provided such Equity Shares are purchased by the other parties within 90 days from the date by which the offer made to the offerees was to be accepted and if such other party fails to complete the sale within the said 90 days, the whole process as mentioned hereinabove will have to be followed afresh.
- f) In the event of acceptance by any or all of the Investor Shareholders, of the offer of the other Investor Shareholder to sell the Equity Shares held by it, the sale of Equity Shares shall be completed and full payment of the price made by the purchasing parties within 30 days of the date of acceptance of the offer or the receipt of the requisite governmental approvals, whichever is later. In the event of default in the payment of the said sale price, the selling Investor Shareholder shall be free to sell the Equity Shares to any other Investor Shareholder(s) at the cost, risk, and responsibility of the defaulting Investor Shareholder. All transfers by any Shareholder thereto shall be subject to such restrictions as may be contained in the provisions of the Act, the Securities Contracts (Regulation) Act, 1956 and any other statutes and as amended from time to time and/or as may be imposed by the Government of India, the RBI and/or banks/financial institutions who have granted loans to the Company.
- g) For the purpose of Articles 37(e) and (f), the term ‘other parties’ shall mean and include any of the Shareholders who are willing to purchase Equity Shares offered by the offeror but not accepted to be purchased by any of the Investor Shareholders pursuant to their right under Article 37(a).
- h) Notwithstanding any other provisions of these Articles, each Investor Shareholder may at any time transfer its Equity Shares, its rights and obligations hereunder to an Affiliate, provided that:
  - (i) such transferring Investor Shareholder has provided 30 days prior written notice of its intention of such transfer to the remaining Investor Shareholders;

- (ii) in the event the Affiliate ceases to be an Affiliate to the transferring Investor Shareholder, the transferring Investor Shareholder shall buy back the Shares from such Affiliate;
  - (iii) the Affiliate has a minimum net worth of Rupees one hundred and twenty crores;
  - (iv) such Affiliate is not in receivership, bankruptcy, insolvency, dissolution, liquidation or any similar proceeding;
  - (v) the transferring Investor Shareholder remains responsible, as a guarantor, for the compliance by the Affiliate of its duties and obligations under the Articles.
- i) In the event the Investor Shareholder desiring to sell the Equity Shares is a Promoter, Article 3 7(a) to (d) shall first apply inter se the Promoters only, provided however, in case the offeree Promoters fail to purchase all Equity Shares offered by the offeror Promoter, within a period of 30 days of such offer, then the offerer shall, if required by the then prevailing Government of India policy, offer such shares to other Government Company(ies), in accordance with the procedure set out in Articles 37(a) to (d), to the extent of their applicability. In case such Government Company(ies) fail to purchase the Equity Shares offered by the offeror within 90 days of the offer or if such offer is not required to be made to the Government Company(ies), then the offeror shall offer any Equity Shares offered but not purchased by the offeree Promoters or the offeree Government Company(ies), as the case may be, to other Investor Shareholders, excluding the Promoters, in proportion to their respective Equity shareholding, within 10 days of the expiry of the relevant 90 day period as above, and which offer may be accepted by such Investor Shareholders, in proportion to their respective Equity shareholding, within 30 days of the offer. In case, Investor Shareholders, in proportion to their respective Equity shareholding, does not give its acceptance, the provisions of Article 37(e) second paragraph shall apply. **(Amended and Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019)**

### **38. REGISTER OF TRANSFERS**

The Company shall keep a “Register of Transfers” and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

### **39. INSTRUMENT OF TRANSFER**

The instrument of transfer shall be in writing and all provisions of Section 108 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

### **40. TRANSFER FORM TO BE COMPLETED AND PRESENTED TO THE COMPANY**

The instrument of transfer duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with the provisions of the Act and these Articles. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of the 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.

**41. TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED**

The Board shall have power on giving not less than seven days previous notice by advertisement in some Newspaper circulating in the district in which the office of the Company is situated, to close the Transfer Books, the Register of Members or Register of Debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year.

**42. RECTIFICATION OF REGISTER OF TRANSFER**

Subject to provisions of applicable laws, the Directors may, at their own absolute and unconditional discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with another person or persons indebted to the Company on any account whatsoever except where the Company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.

**43. NOTICE OF APPLICATION WHEN TO BE GIVEN**

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

**44. DEATH OF ONE OR MORE JOINT HOLDERS OF SHARES**

Subject to Article 42 hereof in the case of 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 recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

**45. TITLE TO SHARES OF DECEASED MEMBERS**

The executors or administrators or holders of a succession certificate or the legal representatives of a deceased Member (not being one or two or more joint-holders) shall be the only persons recognised by the Company as having any title to shares registered in the name of such Member and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate of the legal representatives unless such executors or administrators

or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of probate or letters of administration or succession certificate upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member.

**46. NO TRANSFER TO MINOR, ETC.**

No transfer shall be made to a person of unsound mind or undischarged insolvent and transfer of partly paid shares shall not be made to a minor.

**47. COMPANY NOT TO REGISTER MORE THAN THREE PERSONS**

The Company shall be entitled to decline to register more than three persons as the holders of any share.

**48. REGISTRATION OF PERSONS ENTITLED TO SHARES OTHERWISE THAN BY TRANSFER**

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

**49. PERSONS ENTITLED BY TRANSMISSION TO RECEIVE DIVIDEND**

A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Member in respect of the shares, be entitled to exercise any right conferred by the membership in relation to meetings of the Company.

**50. PERSONS ENTITLED MAY RECEIVE DIVIDENDS WITHOUT BEING REGISTERED AS MEMBERS**

A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the share.

**51. TRANSFER TO BE PRESENTED WITH EVIDENCE OF TITLE**

Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by the Certificate of the Shares to be transferred and such evidence as the Board may require to prove the title of the transferor, 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.

**52. FEE ON TRANSFER OR TRANSMISSION**

No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

**53. COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF A TRANSFER**

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

**54. COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT BY THE COMPANY**

Copies of Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Company to every Member at his request within seven days of the request on payment of such sum for each copy, not exceeding the maximum sum prescribed under the Act and other applicable regulations if any, as the Board may from time to time prescribe.

**BORROWING POWERS**

**55. BORROWING POWERS**

Subject to the provisions of Sections 58A, 292, 293, 370 and other applicable provisions of the Act and these Articles, the Board may from time to time at its discretion by a Resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or

otherwise and generally from any source, or raise, borrow or secure the payment for the purpose of the Company, of such sums as it thinks fit, provided however, where the money to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers, in ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, the Board shall not borrow or raise such money without the consent of the Company in General Meeting.

**56. PAYMENTS OR REPAYMENT OF MONEYS BORROWED**

Subject to the provisions of Article 55 hereof, the payment or repayment of moneys raised or borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Special Resolution shall prescribe including by the issue of debentures or debenture stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and debentures, debenture-stock and other securities, and may be made assignable free from any equities between the Company and the person to whom the same may be issued

**57. TERMS OF ISSUE OF DEBENTURES**

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

**58. REGISTER OF MORTGAGES, ETC. TO BE KEPT**

The Board shall cause a proper register to be kept in accordance with the provisions of Section 143 and other applicable provisions of the Act of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with, to the extent they are required to be complied with by the Board.

**59. REGISTER AND INDEX OF DEBENTURE HOLDERS**

The Company shall, if at any time it issues Debentures, keep a register and index of Debenture holders in accordance with Section 152 of the Act. The Company shall have the power to keep in any state, or country outside India a branch Register of Debenture holders resident in that state or country, as the case may be.

**60. DELETED**

**61. DELETED**



## **MEETINGS OF MEMBERS**

### **62. ANNUAL GENERAL MEETING**

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meetings in that year.

All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166 (1) of the Act to extend that time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify it as the Annual General meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report, balance sheet and profit & loss account and Auditors' report thereon. The proxy register with proxies and the register of Directors' shareholding shall be kept and remain open and accessible during the continuance of the Meeting to any person entitled to attend the meeting. The Board shall cause to be prepared the annual list of Members, summary of share Capital, balance sheet and profit and loss account and forward the same to the registrar in accordance with Sections 159, 161 and 220 of the Act.

### **63. EXTRAORDINARY GENERAL MEETING**

The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so 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 at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.

### **64. REQUISITION OF MEMBERS TO STATE OBJECT OF MEETING**

Any valid requisition so made by a Member 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.

### **65. ON RECEIPT OF REQUISITION DIRECTORS TO CALL MEETING AND IN DEFAULT REQUISITIONISTS MAY DO SO**

Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General meeting and if they do not proceed within twenty-one days from the date of the requisition

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

## **66. MEETING CALLED BY REQUISITIONISTS**

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

## **67. GENERAL MEETINGS**

- a) A General Meeting of the Company shall be called by giving not less than twenty-one (21) clear days notice in writing.
- b) A General Meeting may be called after giving shorter notice than that specified in sub-clause (a) hereof, if consent is accorded thereto:
  - (i) in the case of an Annual general Meeting, by all the Members entitled to vote thereat; and
  - (ii) in the case of any other Meeting, by members of the Company holding not less than ninety-five percent (95%) of such part of the paid-up share capital of the Company as gives a right to vote at the Meeting. Provided that where any Members of the Company are entitled to vote on some resolution or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this sub-clause in respect of the former resolution or resolutions and not in respect of the latter.

### **67.1 Contents of notice**

Every notice of a General Meeting of the Company shall specify the place, date and hour of the Meeting and shall contain a statement of the business to be transacted thereat.

### **67.2 Statement in every notice**

In every notice there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.

### **67.3 The notice shall be given to such persons as are entitled to receive notice from the Company under the provisions of Section 172 (2) of the Act.**

## **68. SPECIAL BUSINESS AT AN ANNUAL GENERAL MEETING**

In the case of an Annual general meeting of the Company all business to be transacted at the meeting shall be deemed special with the exception of business relating to (i) the consideration

of the Accounts, the balance sheet and reports of the Board of Directors and Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in the place of those retiring and (iv) the appointment of, and fixing of the remuneration of, the Auditors.

**69. SPECIAL BUSINESS AT OTHER MEETINGS**

In the case of any other Meeting, all business shall be deemed special.

**70. EXPLANATORY STATEMENT**

The Company shall send to all Members an Explanatory Statement under and in accordance with the provisions of Section 173 of the Act.

**71. RESOLUTION REQUIRING SPECIAL NOTICE**

Where, by any provision contained in the Act or in these Articles, special notice is required of any resolution, notice of intention to move the resolution shall be given to the Company not less than fourteen (14) days before the Meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to have been served and the day of the Meeting.

**72. NOTICE TO MEMBERS OF RESOLUTION**

The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having appropriate circulation or in any other mode allowed by the Articles not less than seven (7) days before the Meeting.

**73. MEETING NOT TO TRANSACT BUSINESS NOT MENTIONED IN NOTICE**

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

**74. QUORUM OF GENERAL MEETING**

No business shall be transacted at any General Meeting (including an adjourned General Meeting) unless a quorum is present at the meeting. The quorum in all such cases shall be:

- a) a minimum of five (5) Members provided that the quorum shall require the presence of a nominee of each Investor Shareholder; and **(Amended and Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019)**
- b) if no quorum is present within half an hour of the appointed time for the meeting, then the meeting shall automatically stand adjourned to the same day in the next week at the same time and place or if that day is not a Business Day, until the next succeeding day which is a Business Day, at the same time and place. If at the adjourned meeting also, the quorum is not present within half an hour from the time appointed for holding the meeting, notwithstanding anything contained in Article 74(a), the Members present at such adjourned meeting shall be the quorum.

**75. BODY CORPORATE DEEMED TO BE PERSONALLY PRESENT**

A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.

**76. CHAIRMAN OF THE GENERAL MEETINGS**

The Chairman shall be the chairman of a General Meeting. If the Chairman is not present within 30 minutes of the duly fixed time for a General Meeting, one of the Directors of the Board, present during the meeting, shall act as the Chairman for that meeting.

**77. BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILST CHAIR IS VACANT**

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

**78. CHAIRMAN WITH CONSENT MAY ADJOURN MEETING**

The Chairman of the Meeting with the consent of the majority Members may adjourn any Meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the Meeting from which adjournment took place.

**79. QUESTIONS AT GENERAL MEETING HOW DECIDED**

At any General Meeting a resolution put to the vote of the meeting shall, unless a poll is demanded in accordance with Article 81 hereof, be decided on a show of hands. In the case of an equality of votes, whether on a show of hands or a poll the Chairman shall not have a second or casting vote.

**80. CHAIRMAN'S DECLARATION OF RESULT OF VOTING ON SHOW OF HANDS SHALL BE CONCLUSIVE**

A declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority or lost, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.

**81. DEMAND FOR POLL**

Before or on the declaration of the results of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting of his own motion or shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding shares in the Company, which confer a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolutions or on which an aggregate sum of not less than Rs.50,000/- (Rupees Fifty Thousand) has been paid up. The demand for a poll may be withdrawn at any time by the person or persons making the demand.

**82. POLL HOW TAKEN**

A poll demanded on any matter, other than the election of the Chairman, or on a question of adjournment, shall be taken not later than forty eight (48) hours from the time when the demand was made, as the Chairman may direct. Subject to the provisions of the Act, the Chairman of the Meeting shall have the power to regulate the manner in which a poll shall be taken. The result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

**83. SCRUTINEERS AT POLL**

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

**84. IN WHAT CASE POLL TAKEN WITHOUT ADJOURNMENT**

Any poll duly demanded on the election of the Chairman of a meeting or on any question of adjournment shall be taken at the Meeting forthwith.

**85. DEMAND FOR POLL NOT TO PREVENT TRANSACTION OF OTHER BUSINESS**

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

**VOTES OF MEMBERS**

**86. MEMBERS IN ARREARS NOT TO VOTE**

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

**87. EVERY MEMBER ENTITLED TO ATTEND, SPEAK AND VOTE**

Subject to the provisions of these Articles and of the Act, every Member shall be entitled to be present and to speak and vote at every Meeting.

**88. VOTING RIGHTS**

Subject to the provisions of the Act and of these Articles, the voting rights of the Members shall be as follows:

- a) Upon a show of hands, every Member present in person and holding an Equity Share shall have one vote in respect of such Equity Share, on every resolution placed before the Company.
- b) Upon a poll every Member present in person or by proxy shall have one vote for each Equity Share held by him. Provided, however, that if any preference shareholder be present at any meeting of the Company save as provided in clause (b) of sub-section (2) of Section 87 of the Act, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

**89. CASTING OF VOTES BY A MEMBER ENTITLED TO MORE THAN ONE VOTE**

On a poll taken at a Meeting of the Company a Member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes use all his votes, or cast in the same way all the votes he uses.

**90. HOW MEMBERS NON-COMPOS MENTIS MAY VOTE**

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 a legal committee or other legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Member is a minor, the vote in respect of his share or shares shall be by his guardian, or any one of his guardians if more than one, to be selected in case of dispute by the Chairman of the Meeting.

**91. VOTE OF JOINT MEMBERS**

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

**92. VOTING IN PERSON OR BY PROXY**

Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if he were an individual Member.

**93. VOTES IN RESPECT OF SHARES OF DECEASED AND INSOLVENT MEMBER**

Any person entitled under Article 48 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided

that at least forty eight hours before the time of holding the Meeting or adjourned Meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.

**94. APPOINTMENT OF PROXY**

Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporate body under the Common Seal of such corporation or be signed by an officer or any attorney duly authorised by it, and any committee or guardian referred to in Article 90 may appoint such proxy. The proxy shall not have the right to speak at the Meetings.

**95. PROXY FOR SPECIFIED MEETING**

An instrument of proxy may appoint a proxy for the purpose of a particular Meeting specified in the instrument and any adjournments thereof.

**96. PROXY TO VOTE ONLY ON A POLL**

A Member present by proxy shall be entitled to vote both on a show of hand and at a poll.

**97. DEPOSIT OF INSTRUMENT OF APPOINTMENT**

The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of the power or authority shall be deposited at the Office not later than forty eight hours before the time for holding the Meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

**98. MEMBER'S RIGHT TO INSPECT PROXIES**

Every Member entitled to vote at a Meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat shall be entitled during the period beginning twenty four (24) hours before the time fixed for commencement of the Meeting to inspect the proxies lodged at any time during the business hours of the Company provided that not less than three (3) days' notices in writing of the intention of such Member to so inspect is given to the Company.

**99. FORM OF PROXY**

Every instrument of proxy shall as nearly as circumstances will admit, be in any of the form set out in Schedule IX of the Act.

**100. VALIDITY OF VOTES GIVEN BY PROXY NOTWITHSTANDING DEATH OF MEMBER**

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 revocation of the proxy or of

any power of attorney under which such proxy was signed or the transfer of the shares in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the Meeting.

#### **101. TIME FOR OBJECTION OF VOTES**

No objection shall be made to the validity of any vote, except at any Meeting or poll at which such vote shall be so tendered, and every vote whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.

#### **102. CHAIRMAN OF THE MEETING TO BE THE SOLE JUDGE OF THE VALIDITY OF ANY VOTE**

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

### **MINUTES**

#### **103. MINUTES OF GENERAL MEETING AND INSPECTION THEREOF BY MEMBER**

- a) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such Meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.
- b) Each page of every such book shall be initiated or signed and the last page of the record of proceedings of each Meeting in such book shall be dated and signed by the Chairman of the same Meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.
  - (i) In no case shall the minutes of proceedings of a Meeting be attached to any such books as aforesaid by pasting or otherwise.
  - (ii) The minutes of each Meeting shall contain a fair and correct summary of the proceedings thereat.
  - (iii) Any appointments of officers if made at any Meeting aforesaid shall be included in the minutes of the Meeting.
  - (iv) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes any matter whatsoever and in particular a matter which in the opinion of the Chairman of the meeting (a) is or could reasonably be regarded as defamatory of any person, (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company. The Chairman of the Meeting shall exercise an absolute discretion in regard to the inclusion or non- inclusion of any matter in the minutes on the aforesaid grounds or otherwise.
  - (v) Any such minutes shall be evidence of the proceedings recorded therein.



- (vi) The book containing minutes of proceedings of General Meeting shall be kept at the office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

## **DIRECTORS**

### **104. NUMBER OF DIRECTORS**

"Subject to the provisions of Section 252 of the Act, the Board shall consist of not less than 4 and not more than 18 directors including a Director, if any, nominated by any financial institution(s) pursuant to the terms of any financing documents entered into by the Company with such financial institution(s)." (Amended and approved by the Shareholders in its 16th Annual general Meeting held on 18<sup>th</sup> September, 2014)

### **105. PROPORTION OF DIRECTORS TO RETIRE BY ROTATION**

Not less than two thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation. Not more than one third of the Directors shall be non-retiring Directors.

### **106. REPRESENTATION OF INVESTOR SHAREHOLDERS**

Subject to the Provisions of Section 255 of the Act -

- a) As long as an Investor Shareholder holds a minimum of 10% of the Equity, such Investor Shareholder shall be entitled to nominate one person for appointment as a Director and to seek his removal therefrom and on a vacancy being caused in such office for any cause whether by resignation, retirement by rotation, death, removal or otherwise of the person so appointed, to nominate a person in such vacant place.

**Para Deleted (Approved by the Shareholders in its 21st Annual General meeting held on 27<sup>th</sup> August, 2019).**

- b) The nomination for appointment or removal of a Director by an Investor Shareholder under this Article shall be by notice in writing addressed to the Company and upon such notice being received by the Company, the Company shall forthwith initiate action to give effect thereto.

### **107. NOMINEE DIRECTOR**

Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the financial institutions or finance corporation or credit corporation or to any other financing company or body, Indian or foreign, out of the loans granted by them to the Company or so long as financial institutions or Financing Corporation or credit corporation or financing Company or body Indian or foreign (each of which or any

such financial institution or finance corporation or Financing company or body is hereinafter in this Article referred to as the “Corporation”) continue to hold debentures in the Company by direct subscription on private placement, or so long as the Corporation hold shares in the Company as a result of underwriting obligation or direct subscription on 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 remain outstanding, the Corporation may be, if agreed to by the Company, given 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 their place/s.

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

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

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

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

Provided also that in the event of Nominee Director/s being appointed as whole time Director/s such Nominee Directors shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole time director in the management of the Borrower. Such Nominee Directors shall, subject to the provisions of the Act, be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation.

## **108. ROTATION AND RETIREMENT OF DIRECTORS**

- a) At each Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, then the number nearest of one-third shall retire from office.
- b) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day those to retire shall, in default or subject to any agreement among themselves, be determined by lot.

## **MANAGING DIRECTOR**

## **109. BOARD MAY APPOINT MANAGING DIRECTOR**

Subject to the provision of Sections 269, 309 and other applicable provisions of the Act, the managing Director shall be selected by the Search Committee and shall be appointed by the Board from time to time, for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and, subject to the provisions of Article 140 the Board may by resolution vest in such managing Director 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. The remuneration of a managing Director may be by way of monthly payment, fee for each meeting participation in profits, or by any or all these modes or any other mode not expressly prohibited by the Act. The managing Director so appointed by the Board shall not be liable to retire by rotation.

## **110. RESTRICTIONS OF MANAGEMENT**

The managing Director shall not exercise the powers to:

- a) make calls on shareholders in respect of money unpaid on the shares in the Company;
- b) issue Debentures;
- c) and except to the extent mentioned in the resolution passed at the Board meeting under section 292 of the Act, shall also not exercise the power to –
  - (i) borrow moneys, otherwise than on debentures;
  - (ii) invest the funds of the Company;
  - (iii) make loans;
  - (iv) buyback of shares.

## **111. OTHER WHOLETIME DIRECTORS**

Subject to the provisions of Sections 269 and 309 and other applicable provisions of the Act and these Articles, the Search Committee may select, in addition to the Managing Director, one or more whole time Directors, such whole time Directors shall be appointed by the Board. The Board may, from time to time, delegate such powers as may be considered necessary to

such whole time Directors. Provided that the Managing Director may sub-delegate to one or more whole-time Directors any of the powers delegated to him by the Board. The whole-time Directors shall not be liable to retire by rotation.

## **112. DEBENTURE DIRECTORS**

If it is provided by a trust deed securing or otherwise in connection with any issue of Debentures of the Company that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at any time by the person or the persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. Subject to Article 105, a Debenture Director may not be liable to retire by rotation.

## **113. APPOINTMENT OF ALTERNATE DIRECTORS**

Each Shareholder or party entitled to nominate under these Articles a Director shall be entitled to nominate an alternate Director and the Board shall appoint such alternate Director to act for the original Director (“Original Director”) in accordance with the provisions of Section 313(1) of the Act. Such alternate Director shall be entitled to attend Board meetings and vote in the absence of the Original Director. The provisions of Section 313 of the Act shall apply and the Board may, subject to the provisions of these Articles, appoint any alternate Director under the circumstances, during the period and subject to the conditions therein mentioned.

## **113A. ADDITIONAL DIRECTORS**

Subject to the provisions of Section 260 of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an additional Director but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 104.

## **114. DIRECTORS’ POWER TO FILL CASUAL VACANCIES**

Subject to the provision of Section 262 of the Act, the Board shall have power at any time to appoint another person to be a Director to fill a casual vacancy.

## **115. QUALIFICATION SHARES HELD BY DIRECTORS**

A Director shall not be required to hold any qualification shares in the Company.

## **116. DIRECTORS’ FEES**

Unless otherwise determined by the Company in a General Meeting, Directors (excluding managing or whole-time Director, if any) shall be entitled to receive out of the funds of the Company for his services in attending meetings of the Board or a committee of the Board, a fee of such maximum sum as may be prescribed by the Central Government, from time to time in this behalf, for every meeting of the Board or a Committee of the Board attended by him.

#### **117. TRAVELLING EXPENSES INCURRED BY A DIRECTOR NOT BEING A RESIDENT OR BY A DIRECTOR TRAVELLING ON THE COMPANY'S BUSINESS**

The Board may allow and pay to any Director, who is not a bonafide resident of the place where the General Meetings and meetings of the Board are ordinarily held and who shall come to such a place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.

#### **118. REMUNERATION OF DIRECTORS**

Subject to the provisions of Sections 198, 309 and 310 of the Act,

- a) a Director who is either in the whole-time employment of the Company or a Managing Director may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other;
- b) a Director who is neither in the whole-time employment of the Company nor a Managing Director may be paid remuneration -  
either
  - (i) by way of monthly, quarterly or annual payment with the approval of the Central Government;or
  - (ii) by way of commission if the Company by Special Resolution authorises such payment.

#### **119. DIRECTOR MAY ACT NOTWITHSTANDING ANY VACANCY**

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

#### **120. DIRECTOR MAY CONTRACT WITH COMPANY**

Subject to the approval of the Central Government and the Board in accordance with Section 297 of the Act, a Director or his relative, or any firm in which such Director or relative is a partner, or any other partner in such firm or a private company of which the Director is a Member or director may enter into any contract with the Company for the sale, purchase or supply of any goods, materials or services or for underwriting the subscription of shares in or Debentures of the Company.

## **121. DISCLOSURE OF INTEREST**

Every Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 of the Act. Provided that it shall not be necessary for a Director to disclose his concern or interest or arrangement entered into or to be entered into by the Company with any other company where any of the Directors of the Company or two or more of them together hold or hold not more than two per cent of the paid-up share capital in any such other company.

## **122. GENERAL NOTICE OF DISCLOSURE**

A general notice, given to the Board by the Director to the effect that he is a director or Member of a specified body corporate or is a Member of a specified firm and is to be regarded as concerned or interested in any notice shall expire at the end of the Financial Year in which it shall be given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

## **123. INTERESTED DIRECTORS NOT TO PARTICIPATE OR VOTE IN BOARD'S PROCEEDINGS**

No Director shall as a Director take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote, and if he does vote, his vote shall be void provided however that nothing herein contained shall apply to:

- a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
- b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely:
  - (i) in his being :
    - a director of such company; and
    - the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company; or
  - (ii) in his being a Member holding not more than two percent of its paid-up share capital.

## **124. REGISTER OF CONTRACTS IN WHICH THE DIRECTORS ARE INTERESTED**

The Company shall keep a Register in accordance with Section 30 1(1) of the Act and shall within the time specified in Section 301(2) of the Act enter therein such particulars as may be

relevant having regard to the application thereto of Section 297 or Section 299 of the act as the case may be. The Register aforesaid shall also specify in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Section 299. The Register shall be kept at the office of the Company and shall be open to inspection at such Office and extracts may be taken therefrom and copies thereof may be required by any Member of the Company to the same extent, in the same manner and on payment of the same fee as in the case of the Register of Members of the company and the provisions of Section 163 of the Act shall apply accordingly.

#### **125. DIRECTORS MAY BE DIRECTORS OF COMPANIES PROMOTED BY THE COMPANY**

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

#### **126. ELIGIBILITY FOR RE-ELECTION**

A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.

#### **127. COMPOSITION OF BOARD TO BE MAINTAINED WHILE FILLING VACANCY**

Subject to the provisions of the Act and the Articles, the Company at the Annual General Meeting at which a Director retires in the manner aforesaid, may fill in the vacated office by electing a person thereto so as to maintain the composition of the Board of Directors as provided in these Articles.

#### **128. PROVISION IN DEFAULT OF APPOINTMENT**

- a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place or if that day is a public holiday, till the next succeeding day which is not public holiday at the same time and place.
- b) If at the adjourned meeting also the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless:
  - (i) at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
  - (ii) the retiring Director has by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
  - (iii) he is not qualified or is disqualified for appointment;
  - (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
  - (v) the proviso to sub-section (2) of Section 263 of the Act is applicable in the case.

## **129. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS**

Subject to Section 259 of the Act, the Company may by Special Resolution from time to time, increase or reduce the number of Directors, and may alter their qualification and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another person in his stead provided in case the Director removed is a nominee of GAIL or ONGC or IOC or BGRL as the case may be, the person appointed in his stead shall also be a nominee proposed by GAIL, or ONGC or IOC or BGRL as the case may be. The person so appointed shall hold office for such time as the Director in whose place he is appointed would have held the same if he had not been removed. (Amended and Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019)

## **130. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE**

- a) Every Director, including a person deemed to be a Director by virtue of the explanation to sub-section (1) of Section 303 of the Act, managing Director or manager of the Company shall within twenty days of his appointment to or as the case may be relinquishment of all or any of the above offices in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.
- b) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of section 307.

## **PROCEEDINGS OF THE BOARD**

### **131. MEETING OF DIRECTORS**

The Board shall be responsible for the overall direction, supervision and management of the Company. Meetings of the Board shall be held at least once in every calendar quarter. The Directors may adjourn and otherwise regulate their meetings as they think fit.

### **132. NOTICE OF MEETINGS**

- a) Written notices of meetings shall be given at least 10 days in advance of any Board meeting to each Board member for the time being in India and to every other Director not resident in India at his overseas address as notified by him to the Company.
- b) In addition to the notice requirement under the Act, notice of all Board meetings shall also be given by facsimile and e-mail or registered A.D. to each of the Directors. All Directors shall provide to the Company in writing the facsimile number, mailing and e-mail address where such notices must be communicated by the Company.
- c) Notwithstanding the provisions of Article 132(a) above, a meeting of the Board may be convened at shorter notice in case of urgency or emergency or if warranted by special circumstances with prior written consent of all the Directors. Such consent is to be received before the start of the meeting and confirmed by the Chairman of the meeting.



- d) Any notice shall include an agenda identifying in reasonable detail the matters to be discussed at the meeting together with copies of any relevant papers to be discussed at the meeting. If any matter is not included in the agenda or is not identified in reasonable detail, the Board shall not decide upon it, unless all Board members agree in writing.

### **133. QUORUM**

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

### **134. ADJOURNMENT OF MEETING FOR WANT OF QUORUM**

In the event that a quorum is not present within thirty (30) minutes from the time the meeting should have begun, then the meeting shall automatically stand adjourned to the same day in the next week at the same time and place or if that day is not a Business Day, until the next succeeding day which is a Business Day, at the same time and place.

### **135. WHEN MEETING TO BE CONVENED**

The Secretary shall, as and when directed by the Chairman or Managing Director or by a Director or Directors to do so, convene a meeting of the Board by giving a notice in writing to every Director.

### **136. QUESTIONS AT BOARD MEETINGS HOW TO BE DECIDED**

- a) A decision of the Board shall be determined by simple majority of the Directors present and voting provided however, in respect of Reserved Matters, no resolution shall be deemed as passed or decision taken at a meeting of the Board unless there is an affirmative vote either in the meeting or by written communication by the Director nominated by each Investor Shareholder.
- b) However, if any three Directors not being Directors nominated by the Investor Shareholders vote against any resolution in respect of Reserved Matters, then such resolution shall only be passed by at least two thirds of the total number of Directors present and voting, casting their vote in favour of passing of such resolution, in which case the resolution will be put for vote in a subsequent Board meeting unless the Chairman decides to the contrary.
- c) The Reserved Matters are:
  - (i) Making any inter-corporate investments whether by way of debt or equity.
  - (ii) Any changes in the Memorandum and/or these Articles.
  - (iii) Adoption of Strategic Plan(s) and Company policy(ies) relating to manpower, technology, resourcing, pricing, marketing and/or Annual Business Plan(s) and/or Annual Budget(s) or changes, if any, thereto.

- (iv) Re-organisation of existing capital structure or any Project structure approved by the Board in any manner whatsoever.
- d) In the event,
  - (i) any resolution on the matters reserved for an affirmative vote is not passed due to any Director(s) nominated by any of the Investor Shareholder not casting an affirmative vote, and
  - (ii) the remaining Director(s) nominated by the Investor Shareholders still insist on the passing of such resolution and intimate such decision to such Investor Shareholders whose nominee Director(s) are not in favour of such resolution, the following procedure shall be followed for resolution of such a situation:
    - (1) The matter under dispute shall be referred to a committee consisting of the Chairman/chief executive officer of each of the four Investor Shareholders within 30 days from the date of occurrence of such deadlock and such committee shall recommend a course of action for resolving of the deadlock which shall be duly voted upon and implemented by the Board.
    - (2) In case no decision is forthcoming from the committee mentioned in sub-Article (1) above within 30 days from the reference as above, and the deadlock continues, the non dissenting Investor Shareholder(s) shall give a notice to the dissenting Investor Shareholder(s) in this regard giving the following options
      - (I) The dissenting Investor Shareholder(s) within 30 days of receipt of intimation from the non dissenting Investor Shareholders, offer for sale the Equity Shares held by such dissenting Investor Shareholders following the procedure mentioned in Article 37, or
      - (II) If the dissenting Investor Shareholder chooses not to sell within 30 days of receiving the said notice, the requirement of positive consenting vote mentioned in this Article 136 would be deemed to have been satisfied even without the consent of the Director nominated by such dissenting Investor Shareholder(s) in respect of the subject matter of the deadlock referred to the committee of Chairman/Chief Executive Officers mentioned above. **{Clause a), b), d) Amended and Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019}**

### 137. CHAIRMAN

- a) There shall be a chairman of the Board of Directors (the “Chairman”).
- b) If the Chairman is not present within 30 minutes of the duly fixed time for a meeting (Board or Shareholders), one of the Directors of the Board, present during the meeting, shall act as Chairman for that meeting.
- c) The Chairman shall have no second or casting vote.
- d) After relinquishment of charge by the Secretary (Ministry of Petroleum & Natural Gas) of his appointment as Chairman, the Chairman shall be selected by the Search Committee.

### **138. DIRECTORS MAY APPOINT COMMITTEES**

Subject to the provisions of the Act and the restrictions contained in Section 292 of the Act and these Articles, the Board may delegate, any of its powers to a committee or committees of the Board consisting of such members of its body as it thinks fit, provided that committee(s) so appointed shall have at least one Director nominated each by GAIL, ONGC, IOC & BGRL, as their members unless otherwise decided by the Board. The Board may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposed but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee(s) of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise shall have the like force and effect as if done by the Board. The decision or minutes of such Committee shall be placed before the Board for information at the next meeting. (Amended and Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019)

### **139. MEETING OF COMMITTEE HOW TO BE GOVERNED**

The meeting and proceedings of any committee of the Board consisting of two or more Members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors in so far as the same are applicable thereto and are not superseded by any regulations made by the Board under Article 140.

### **140. POWERS OF THE BOARD**

Subject to the provisions of Section 292, 293A & 293B and any other relevant provisions of the Act and these Articles, the Board of Directors of a Company shall be entitled to exercise all such powers and to do all such acts and things, as the Company is authorised to exercise and do.

Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other Acts or by the Memorandum or Articles of the Company or otherwise, to be exercised or done by the Company in a general meeting.

Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or any other Acts, or in the Memorandum or these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting.

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.

### **141. CERTAIN POWERS OF THE BOARD**

Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article and Article 136, it is hereby declared that the Directors shall have the following say, power:

- a) To pay and charge to the capital account of the Company any commission or interest lawfully payable under the provisions of Section 76 and 208 of the Companies Act;

- b) Subject to Section 292 and 297 of the Act, to purchase or otherwise acquire for the Company and property, rights or privileges, which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Director may believe or may advise to be reasonably satisfactory;
- c) At their discretion and subject to the provisions of the Act, to pay for any property, rights, privileges acquired by or services rendered to the Company either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the Company, and any such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the Company and its uncalled or not so charged;
- d) To secure the fulfilment of any contract or engagement entered into by the Company by mortgage or charge of all or any of the property of the company and its uncalled capital for the time being or in such manner as they may think fit;
- e) To accept from any Member, as far as may be permissible by law, surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
- f) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested of for any other purposes and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trust of trustees;
- g) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs for the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demand by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon ;
- h) To act on behalf of the Company in all matters relating to bankrupts and insolvents;
- i) To make and give, receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company ;
- j) Subject to applicable provisions of the Act to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;
- k) To execute, in the name and on behalf of the Company, in favour of any Director or other person who may incur or to about to be incurred any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present & future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- l) To determine from time to time who shall be entitled to sign, on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose;

- m) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expense of the Company;
- n) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependants of connections of such persons, by building or contributing to the building of houses, dwellings or chawls, or by grants of money, pension, gratuities, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident and other funds, associations, institutions, or trusts and by providing or subscribing or contributions or contributing towards places of instruction and recreation, hospitals, and dispensaries, medical and other attendance and other assistance as the Board shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;
- o) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to a depreciation fund, or to an insurance fund, or as a reserve fund or sinking fund or any special fund to meet contingencies of to repay debenture or debenture stock; or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums to set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and pay and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board, in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matter to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of Debentures or debenture stock and without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper;
- p) To appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers

and duties and fix their salaries or emoluments or remunerations; and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the three next following sub-clauses shall be without prejudice to the general power conferred by this sub-clause;

- q) From time to time and at any time to establish any local Board or managing any of the affairs of the Company in any specified entity in India or elsewhere and to appoint any person to be a member of such local Board and to fix their remuneration;
- r) Subject to the provisions of the Act, from time to time and at any time, to delegate to any such local Board, or any Member or Members thereof or any managers or agents so appointed any of the powers, authorities, and discretions for the time being vested in the Board and to authorise the members for the time being of any such local Board or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation under the preceding and this sub-clause may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation;
- s) At any time and from time to time by power of attorney under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also, except in their limits authorised 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 appointments may (if the Board thinks fit) be made in favour of the members or any of the members of any local Board, established as aforesaid or in favour of any Company, or the shareholders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body or 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 persons 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;
- t) Subject to Section 294 and 297 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;
- u) the Company its officers and servants;
- v) Subject to the provisions of Sections 77A, 292 and any other relevant provisions of the Act and these Articles, to purchase its own shares or any other specified securities out of its free reserves, or the securities premium account, or the proceeds of any shares or other specified securities.

#### **142. RESOLUTION BY CIRCULATION**

No resolution shall be deemed to have been duly passed by the Board or a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all Directors at their usual address whether in India or overseas as notified by each of them to the Company, and has been approved by the majority of such of them, as are entitled to vote on the resolution. No resolution may be passed by the Board or a committee thereof by circulation in respect of Reserved Matters.

#### **143. ACT OF COMMITTEE/BOARD NOT INVALID NOTWITHSTANDING INFIRMITY IN APPOINTMENT**

Subject to the provisions of these Articles, all acts done by any meeting of the Board or by a committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there is some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

#### **144. MINUTES OF PROCEEDINGS OF MEETINGS OF BOARD**

- a) The Company shall cause minutes of all proceedings of every meeting of the Board and committees thereof to be kept by making within 30 (thirty) days of every such meeting entries thereof in books kept for the purpose with their pages consecutively numbered.
- b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of every meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the succeeding meeting.
- c) In no case will the minutes of proceedings of a meeting be attached to any such book as aforesaid by pasting or otherwise.
- d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of meeting.
- f) The minutes shall also contain:
  - (i) The names of the Directors present at the meeting, and
  - (ii) In the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution
- g) Nothing contained in sub-Articles (a) to (f) shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:

- (i) is or could reasonably be regarded as defamatory of any person,
  - (ii) is irrelevant or immaterial to the proceedings, or
  - (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub-clause.
- h) Minutes of meetings kept in accordance with aforesaid provision shall be evidence of proceedings recorded therein.

## **MANAGEMENT**

### **145. PROHIBITION OF SIMULTANEOUS APPOINTMENTS OF DIFFERENT CATEGORIES OF MANAGERIAL PERSONNEL**

The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel as defined by the Act namely:

- a) Managing Director and
- b) Manager

### **146. SECRETARY**

The Directors may from time to time appoint or remove any individual designated as a Secretary, at their discretion to perform any functions, which by the Act are to be performed by the Secretary and any other ministerial or administrative duties which may, from time to time, be assigned to the Secretary by the Directors.

## **THE SEAL**

### **147. THE SEAL, ITS CUSTODY AND USE**

- a) The Board shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Board shall provide for the safe custody of the seal for the time being, and the Seal shall never be used except by the authority of the Board or a committee of the previously given.
- b) The Company shall also have liberty to have an official seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

### **148. DEEDS HOW EXECUTED**

Every deed or other instrument to which the Seal of the Company is required to be affixed, shall, be signed by one Director and Secretary or some other person appointed by the Board for the purpose. Provided that in respect of the share certificate the Seal shall be affixed in accordance with Articles 21 and 22 and the Act.



## **DIVIDENDS**

### **149. DIVISIONS OF PROFITS**

- a) The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles and also subject to the provisions of Section 205(2A) of the Act, regarding transfer of the amounts to reserves of the Company, shall be divisible among the Members in the proportion to the amount of capital paid or credited as paid-up on the shares held by them respectively.
- b) Subject to the provisions of the Act and other applicable laws, the Investor Shareholders shall make best endeavours and shall also assist the Company in its endeavour to provide the Shareholders a 16% post tax return per annum in Rupee terms on their Equity investments, including share application monies pending allotment.

### **150. THE COMPANY IN GENERAL MEETING MAY DECLARE A DIVIDEND**

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

### **151. DIVIDENDS ONLY TO BE PAID OUT OF PROFITS**

No dividend shall be declared or paid otherwise than in accordance with the provisions of Section 205 of the Act.

### **152. INTERIM DIVIDEND**

Subject to the provisions of the Act, the Board may from time to time, pay to the Members such interim dividend as in their judgement the financial position of the Company justifies.

### **153. CAPITAL PAID-UP IN ADVANCE NOT TO EARN DIVIDEND**

Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participation in profits.

### **154. DIVIDENDS IN PROPORTION TO AMOUNT PAID-UP**

Subject to the provisions of Section 205 of the Act 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 term that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

### **155. RETENTION OF DIVIDENDS UNTIL COMPLETION OF TRANSFER UNDER ARTICLE 64**

Subject to the provisions of the Act, the Board may retain the dividends payable upon shares

in respect of which any person is, under Article 64 entitled to become a Member, or which any person under this Article is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same.

#### **156. DIVIDENDS, ETC. TO JOINT HOLDERS**

Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends or bonuses or other moneys payable in respect of such share.

#### **157. NO MEMBER TO RECEIVE DIVIDEND WHILST INDEBTED TO THE COMPANY AND COMPANY'S RIGHT OF REIMBURSEMENT THEREOF**

No Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.

#### **158. TRANSFER OF SHARES MUST BE REGISTERED**

A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Provided that where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall –

- a) transfer the dividend in relation to such shares to the special account referred to in Section 205A of the Act unless the Company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and
- b) keep in abeyance in relation to such shares any offer of right shares under clause (a) to sub-section (1) of Section 81 of the Act and any issue of fully paid-up bonus shares in pursuance of sub-section (3) of Section 205 of the Act

#### **159. DIVIDENDS HOW REMITTED**

Subject to Section 205 of the Act, unless otherwise directed, any dividend may be paid by cheque or warrant or by a pay slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the Member or persons entitled or in case of joint-holders to that one of them first named in the register in respect of the joint holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay slip or receipt or the fraudulent recovery of the dividends by any other means.

## **160. NO INTEREST ON DIVIDEND**

No unpaid or unclaimed dividend shall bear interest as against the Company, except as otherwise required by the Act.

## **161. UNPAID OR UNCLAIMED DIVIDEND**

Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any Shareholder entitled to the payment of the dividend, the Company shall, within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called “Unpaid Dividend Account of Petronet LNG Limited” and transfer to the said account, the total amount of dividend which remains unpaid, unclaimed or in relation to which no dividend warrant has been posted.

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 in accordance with the provisions of the Act to the Investor Education and Protection Fund established by the Government of India pursuant to the Act.

No unclaimed or unpaid dividend shall be forfeited by the Board.

## **162. DIVIDEND AND CALLS MADE TOGETHER**

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

## **163. CAPITALISATION OF RESERVES OR PROFIT AND ISSUE OF BONUS SHARES**

- (1) The Company in a General Meeting may, upon the recommendation of the Directors resolve:
  - a) 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) accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3), 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, created as fully paid up, to and amongst such members in the proportions aforesaid; or

- c) partly in the way specified in sub-clause(a) and partly in that specified in sub-clause (b)
- (3) A security premium account and a capital redemption reserve account may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- (4) Whenever such a resolution as aforesaid shall have been passed, the Directors 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 effects thereto.
- (5) The Directors shall have full power: -
  - a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as they think fit, for the case of shares or debentures becoming distributable in fractions; and also.
  - 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 up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (6) Any agreements made under such authority shall be effective and binding on all such members

## ACCOUNTS

### 164. ACCOUNTS

- a) The Company shall maintain accurate and complete accounting and other financial records at its registered office. The records shall be maintained in accordance with applicable laws (including prudent accounting policy/the standards of the Institute of Chartered Accountants of India), and, to the extent of matters not covered by such rules and regulations, by generally accepted accounting principles, and, to the extent of matters not covered by such preceding rules the principles and procedure laid down by the Board of Directors. Such records shall be available for inspection by the Directors during the normal business hours of the Company. The accounting system shall have provision for internal controls and checks acceptable to the Investor Shareholders as a part of a management control system.
- b) The closing of accounts shall comprise:
  - (i) quarterly closing of accounts covering accounts up to the end of each quarter that shall be completed within two months of the end of the quarter;
  - (ii) annual closing of accounts covering accounts for the Financial Year to be completed by 31st July of the subsequent Financial Year;
  - (iii) audit of the books of account, records and affairs of the Company each year as soon as practicable following the close of the Financial Year.

- c) The accounts mentioned in (i) and (ii) of Article 164(b) above shall comprise an unaudited balance sheet and statement of income, cash flow and statement of Shareholders' Equity.
- d) Subject to the approval of the Board (not to be unreasonably withheld), the Company shall provide to each Investor Shareholder, sufficient financial information concerning the results of the Company's operations as is necessary for each Investor Shareholder to prepare and file all required tax returns and complete its own financial reports for the preceding year; and
- e) As soon as reasonably practicable, but in no event later than 15 Business Days, following the request of an Investor Shareholder therefor, the Company shall provide sufficient financial information concerning the results of the Company's operations as is necessary for such Investor Shareholder to conduct or settle any tax audit or proceeding; and
- f) As soon as reasonably practicable, but in no event later than 15 Business Days, following the request of an Investor Shareholder therefor, the Company shall provide the accounts mentioned in Article 164(b) (i), (ii) and (iii) above to such Investor Shareholder.

#### **165. STATEMENT OF ACCOUNTS TO BE FURNISHED TO GENERAL MEETING**

The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215, 216, and 217 of the Act cause to be prepared and to be laid before the Company in General Meeting such balance sheet, profit & loss accounts and reports as are required by these sections.

#### **166. COPIES SHALL BE SENT TO EACH MEMBER**

Subject to the provisions of Section 219 of the Act, a copy of every Profit & Loss Account and Balance Sheet (including the Auditors' Report and every other document required by law to be annexed or attached to the Balance Sheet) shall at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him and to all persons other than such members or trustees, being persons so entitled.

#### **167. ANNUAL BUDGET AND ANNUAL BUSINESS PLAN**

- a) The official(s) of the Company duly authorised by the Board shall be responsible for the preparation and submission of the Annual Budget and Annual Business Plan including the Capital Contribution Plan.  
The Annual Budget shall inter alia contain the Capital Contribution Plan, which sets out forecasts for Cash Calls.
- b) The following shall be the procedure for the preparation of each Annual Budget and Annual Business Plan:
  - (i) Not later than sixty days before the beginning of each Financial Year of the Company, Annual Budget and Annual Business Plan for such Financial Year shall be prepared by an official of the Company duly authorised by the Board and presented to the Board for approval.

- (ii) In addition to the Annual Budget and Business Plans for each Financial Year, an annual provisional budget and an annual business plan including a provisional capital contribution plan for the next Financial Year shall also be prepared and presented to the Board for approval.
- (iii) If at the beginning of any Financial Year, the Board has not approved an updated Annual Budget and Annual Business Plan for that Financial Year, the annual provisional budget and business plans previously approved for that Financial Year shall apply, and shall be used as operating Annual Budget and Business Plans for that Financial Year until the Board approves different Annual Budget and Business Plans, and an official of the Company (duly authorised by the Board) shall have the right and obligation to manage the affairs of the Company in accordance with the approved annual provisional budget and business plans.

The respective Annual Business Plans shall be in line to the extent possible with the Strategic Business Plan and the Capital Contribution Plan.

## **168. DETAILED FEASIBILITY REPORT**

- a) For any Project, including an Expansion, other than the Dahej Project (“New Project(s)”), the Company may with the prior approval by the Board propose to any of the Investor Shareholder to:
  - (i) offer necessary assistance to the Company to cause a detailed feasibility report (“DFR”) to be prepared for a New Project at a minimum cost and within the shortest possible time for consideration by the Investor Shareholder; and
  - (ii) provide necessary resources, including managerial, administrative and technical in this regard;  
provided that the foregoing proposal is made on terms and conditions, including without limitation financial terms, satisfactory to the Company and the concerned Investor Shareholder.
- b) The DFR in relation to a New Project shall seek to demonstrate that such New Project is techno-economically viable (including yielding an acceptable after-tax return on investment) giving due consideration to all factors, including but not limited to relevant tax holidays, the provisions of all applicable law and the policies of the Government of India or any State Government, as the case may be, prevailing at the time of submission of the DFR. Such DFR shall be in such form and shall include such information as:
  - (i) The estimated cost of the proposed New Project, the proposed detailed financing plan, the proposed sources and amount of debt and equity to be used to fund the proposed New Project, the principal commercial terms and resulting cash flows profile of the proposed New Project and the estimated number of Equity Shares to be issued;
  - (ii) The proposed New Project in-service date, including a description of when and how the proposed project will be determined to be in service on a commercial basis having regard to all required regulatory and environmental approvals;

- (iii) Appropriate updated engineering data, flow diagrams, market analysis and maps describing such proposed New Project;
  - (iv) The operational impact, if any, of the proposed New Project on the existing facilities; and
  - (v) A detailed computer model of the commercial terms contemplated for the proposed New Project.
- c) Unless otherwise agreed by the Investor Shareholders, the consideration of a New Project shall be based on the DFR.
  - d) The Company shall make copies of the DFR, Annual Business Plan and Annual Budget available free of costs to the Investor Shareholders as requested.

## AUDIT

### 169. ACCOUNTS TO BE AUDITED

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

- a) The Company shall cause an independent audit of the books of account, records and affairs of the Company each year as soon as practicable following the close of the Financial Year.
- b) Each such audit shall be made by a public accounting firm selected and approved by the Shareholders in General Meeting.
- c) The Board or any committee thereof, shall establish procedures for performing all internal auditing.
- d) Each Investor Shareholder shall be furnished a copy of each Financial Year's audit within 180 days of the Financial Year following the Financial Year covered by the audit.
- e)

Each Investor Shareholder shall have the right to audit the facilities, books and records of the Company at the cost and expense of such Investor Shareholder. In this connection, each Investor Shareholder shall have access, after giving 7 days prior notice, at the Company's principal place of business and other appropriate locations, during ordinary business hours, to all properties, books, records, accounts and information regarding the Company and the Company shall make the same available for inspection. Such right may be exercised through any agent or employee of such Shareholder, or by an independent public accountant, engineer, lawyer or other consultant acting on behalf of such Shareholders pursuant to written instructions. The Investor Shareholders shall make every reasonable effort to conduct joint or simultaneous audits in a manner which will result in a minimum of inconvenience to the Company. The Investor Shareholders shall have the right to audit within two (2) Financial Years following the Financial Year to which the audit relates. An Investor Shareholders shall have the right to conduct a maximum of one (1) such audit in a Financial Year, unless two Investor Shareholders elect to jointly audit, in which case they shall have the right to conduct a maximum of two joint audits in a Financial Year during the said Financial Year.

## **DOCUMENTS AND NOTICES**

### **170. SERVICE OF DOCUMENTS OR NOTICES ON MEMBERS BY COMPANY**

- a) A document or notice may be served on or given by the Company to any Member either personally or by sending it by post to him to his registered address in India and if he has no registered address in India to the address, supplied by him to the Company for serving documents or notices on him and if so required by shareholder, having no registered address in India, duplicate copy of documents and notices shall be sent at his cost by registered air mail or by cable confirmed by air mail or as may be requested by him.
- b) Where a document or notice is sent by post, service of the documents or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that when a Member had intimated to the Company in advance that documents or notices should be sent to him under certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so; service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member, and such service shall be deemed to have been effected in the case of a notice of meeting, at the expiration of forty eight hours after the letter, containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.
- c) By advertisement: A document or notice advertised in a newspaper circulating in the neighbourhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every Member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notice to him.

### **171. ON JOINT HOLDER**

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

### **172. ON PERSONAL REPRESENTATIVES, ETC.**

A document or notice may be served or given by the Company on or to the person entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in prepaid letter addressed to them by name or by the title or representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be entitled or until such an address has been so supplied by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

### **173. TO WHOM DOCUMENTS OR NOTICES MUST BE SERVED OR GIVEN**

Documents or notices of every General Meeting shall be served or given in such manner



hereinbefore authorised on or to (a) every Member, (b) every person entitled to a share in consequence of the death or insolvency of a Member, and (c) the Auditor or Auditors for the time being of the Company.

#### **174. MEMBERS BOUND BY DOCUMENTS. OR NOTICES SERVED ON OR GIVEN TO PREVIOUS HOLDERS**

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

#### **175. DOCUMENTS OR NOTICES BY COMPANY AND SIGNATURE THERETO**

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

#### **176. SERVICE OF DOCUMENT OR NOTICE BY MEMBER**

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

#### **177. EXERCISE OF RIGHTS**

All the rights of GAIL, ONGC, IOC, BGRL under these Articles shall be exercisable by their respective chief executive like Chairman and managing Director for the time being of such company or by his authorised representative or any other person authorised by the board of directors of such company. **(Amended and Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019)**

### **WINDING UP**

#### **178. LIQUIDATOR MAY DIVIDE ASSETS IN SPECIE**

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

### **INDEMNITY AND RESPONSIBILITY**

#### **179. DIRECTORS' AND OTHERS' RIGHT OF INDEMNITY**

Subject to the provisions of Section 201 of the Act, every director, officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability

incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is granted to him by the court or in connection with any guarantee or obligation or contract entered for the benefit or the business of the Company.

## **SECURITY CLAUSE**

### **180. SECURITY**

- a) Subject to the provisions of these Articles and the Act, no member shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading of any matter which is or may be in the nature of a trade secret, mystery or trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the Company to communicate.
- b) Any confidential information disclosed to a Member or a Director shall not be used by it/ him for any purpose other than for the exercise of rights or performance of obligation as a Member or a Director of the Company and shall not be disclosed by it/ him to any person, firm or company.
- c) Every director, manager, auditor, treasurer, member of a Committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the statement of the accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal to any person 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 and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

### **180A SPECIFIC APPROVALS PERTAINING TO THE DAHEJ PROJECT**

- a) During the term of the Dahej Concession Agreement, any acquisition of more than 10% direct or indirect interest in the Company by any Person (either alone or together with its associates), whether in one transaction or in a series of transactions, shall require and shall be subject to the prior approval of the GMB. This provision shall not be applicable for the transfer of Shares traded in the stock market (except for any trade made by the Investor Shareholders). Further, any change in shareholding of more than 5% interest in the Company (other than those requiring GMB's approval shall be intimated to GMB within fifteen (15) days of such acquisition.
- b) Notwithstanding anything contained in Article 180A(a), any direct or indirect acquisition or change in shareholding of the Company in relation to a disinvestments/ privatization process of government agency shall not attract the restriction of transfer as incorporated in Article 180A. **(Approved by the Shareholders in its 21st Annual General meeting held on 27th August, 2019).**

**181 MISCELLANEOUS**

- a) All costs incurred by any of the Investor Shareholder with respect to the engagement of third parties in connection with the business of the Company and with the approval of the Board of the Company, shall be caused by the Investor Shareholders to be reimbursed by the Company to such Investor Shareholders who have incurred costs, upon receipt of acceptable invoices by the Company.
- b) The Company shall make reasonable endeavours, in respect of each Project, to separately and accurately record and retain records in respect of all amounts with respect to expenditure directly and/or indirectly related to each Project's activities. Each Investor Shareholder shall have access at all reasonable times with prior notice to such records maintained by the Company and shall have the right to inspect such records.
- c) The Company shall prepare and submit to all the Investor Shareholders a monthly report on the progress of activities of the Project(s).
- d) Subject to prior agreement to the contrary between the Investor Shareholders all Material Contracts shall be entered into by the Company on an arms length basis by following a competitive bidding process involving detailed negotiations and discussions.
- e) The respective shareholdings of the Investor Shareholders in the Company shall be taken together with the shareholdings of their respective Affiliates in the Company such that an Investor Shareholder shall be entitled to enjoy its rights under these Articles of Association along with its Affiliates.
- f) Subject to the Secrecy Clause contained in Article 180(a), 180(b) and 180(c), any Investor Shareholder shall, with prior notice of 7 Business Days, be entitled to inspect, through their authorised representatives, the LNG Terminals and all other related facilities, accounts, documents, contracts, statutory registers, records, premises, equipment, machinery and other properties of the Company.

We, the several persons whose names, addresses are subscribed are desirous of being formed into a Company in pursuance of this Articles of Association

Name, Father's Name, Address, Description & Occupation of the Subscriber	Signature of Subscriber	Name, Father's Name, Address, Description & Occupation of Witnesses
<p>Gas Authority of India Ltd., 16, Bhikaiji Cama Place, R.K.Puram, New Delhi- 110 066 Represented by - Raj Pal Sharma S/o Shri Har Prasad Sharma, 803, Asian Games Village, New Delhi-110 049 Occupation :- Service Designation :- Director (Projects) Acting</p>	Sd/-	<p>(Sd/-) Mahendra Kumawat S/o Ram Kumar Kumawat, Gas Authority of India Ltd., 16, Bhikaiji Cama Place, R.K.Puram, New Delhi- 110 066 Occupation :- Service</p>
<p>Kamta Prasad Roy S/o Shri Krishna Roy, E-63, Asian Games Village, New Delhi- 110 049 Occupation :- Service Designation :- General Manager (LNG)</p>	Sd/-	<p>(Sd/-) Mahendra Kumawat S/o Ram Kumar Kumawat, Gas Authority of India Ltd., 16, Bhikaiji Cama Place, R.K.Puram, New Delhi- 110 066 Occupation :- Service</p>
<p>Oil &amp; Natural Gas Corporation Limited Jeevan Bharati Building, Tower II, IV Floor, 124, Connaught Circus, New Delhi –110 001 Represented by - Subhash Chander Jetly, S/o Late Shri Yashoda Nandan Shastri D-754, AGVC, New Delhi- 110 049 Occupation :- Service Designation :- Executive Director (Joint Ventures &amp; Business Development)</p>	Sd/-	<p>(Sd/-) Vijay Misra S/o Chandra Bhal Misra 34(B), SDF, Green View Apartment, Sector-15A, NOIDA- 201 301 Occupation :- Service</p>
<p>Indian Oil Corporation Limited, Indianoil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai- 400 051 Represented by - Raghunathachary Narayanan S/o Late S. Raghunathachary, 706, Indianoil Nagar, J.P.Road, Andheri (West), Mumbai- 400 053 Occupation :- Service Designation :- Company Secretary</p>	Sd/-	<p>(Sd/-) Tapan Datta S/o Satya Ranjan Datta D-601, BPCL Housing Complex, Sector-56, NOIDA- 201 301 Occupation :- Service</p>

Name, Father's Name, Address, Description & Occupation of the Subscriber	Signature of Subscriber	Name, Father's Name, Address, Description & Occupation of Witnesses
Bharat Petroleum Corporation Limited, Bharat Bhavan, 4 & 6, Currimbhoy Road, Ballard Estate, Mumbai – 400 001 Represented by - Kashinath Manikshetti, S/o Shamrao Manikshetti, Flat No.35, BPC Tower, 1-A, Altamount Road, Mumbai - 400 026 Occupation :- Service Designation :- Executive Director Occupation :- Service Designation :- Executive Director (C.A.)	Sd/-	(Sd/-) Tapan Datta S/o Satya Ranjan Datta, D-601, BPCL Housing Complex Sector-56, NOIDA- 201 301 Occupation :- Service
Kalapalli Babu Venkata Narayan, S/o Late Shri K. Nageswara Rao Flat No. 23, 1-A, Alamont Road, Mumbai- 400 026 Occupation :- Service	Sd/-	(Sd/-) Tapan Datta S/o Satya Ranjan Datta, D-601, BPCL Housing Complex Sector-56, NOIDA- 201 301 Occupation :- Service
Dr. Ashok Kumar Balyan, S/o. Late Shri Bhupal Singh A-13, Parwana Apartments, Mayur Vihar Phase-I, Delhi – 110 091 Occupation :- Service	Sd/-	(Sd/-) Sanjeev Kalkran S/o Shri B.S. Kalkran, A-67, Parwana Apartments, Mayur Vihar Phase-I, Delhi- 110 091
Narender Singh, S/o Late Shri Sunder Singh Flat No. 2395, Pocket C-II, Vasant Kunj, New Delhi-110 070 Occupation :- Service	Sd/-	(Sd/-) Raghubir Singh Bisht S/o Late N.S.Bisht H. No. 23, Type-II, Minto Road, New Delhi – 110 002 Occupation :- Service

Place : New Delhi

Date : 24<sup>th</sup>March, 1998



**PETRONET  
LNG  
LIMITED**

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