

**INCORPORATED  
UNDER THE COMPANIES ACT, 1956  
(ACT, 1 OF 1956)  
COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION  
OF**

**SOFTSOL INDIA LIMITED**

- I. The name of the Company is **SOFTSOL INDIA LIMITED**
- II. The Registered office of the Company will be situated in the State of TELANGANA (with the bifurcation of State of Andhra Pradesh in to Two States effective 2nd June 2014)
- III. The Objects for which the Company is established are:

**A) The main objects to be pursued by the Company on its incorporation are:**

1. To carry on and provide consultancy services in the areas of computer management and engineering covering computerized information systems, feasibility studies, systems design and systems, on line real time systems, process control, distributed computing, data base design and implementation operation systems, simulators, design of compilers, design and development, surveying data systems, industrial engineering applications and all other related areas of computer technology and to establish, provide, maintain and conduct data processing facilities including provision of maintenance systems for mini micro and large computer systems and to act as dealers and/or agents for any computer or computer accessories manufactured in India and abroad and any software developed in India or abroad.
2. To develop software for various organizations, including Computer manufactures Government or Industry, hospitals and health oriented organizations, education oriented organizations and institutions business agencies of all types and all types of service oriented organization, in India and abroad and to conduct training programs and to undertake research studies in computer services and management.
3. To carry on the business of consultants advisers and/or technical experts on all matters and problems relating to systems integration, systems management manufacture of computer systems, formulate, report and recommend all the means and/or promoting and /or methods for extending and/or developing and/or improving and /or promoting and/or managing any type of commerce, business or industry, organization and methods, techniques and procedures. To consider and evaluate problems relating to manufacture, production, storage, distribution, finance, purchasing, marketing and sale and /or relating to the rendering of any service, to render the above services to any person, firm, company, trust, Association, Institutions, Society, body corporate, Government or Government Department, public or local authority, any other organization whatsoever and to render all such other services as may be ancillary or incidental to any of the foregoing matters and problems.

For SOFTSOL INDIA LIMITED

  
BHASKARA RAO MADALA  
Whole Time Director

4. To undertake, carry out, promote or assist studies, research and surveys in the designs, systems, methods, processes and all or any matters relating to the above fields including publishing and selling instruction manuals package programs, applications and technical bulletins and collecting, preparing and providing information and statistics in connection therewith.
5. To promote new industrial undertaking related to any of the above mentioned objectives.
6. To carry on the business of construction, development and maintenance of townships, houses, villas, apartments, other structures or premises for residential, commercial, educational or recreational purposes and also development of roads, bridges, infrastructural facilities or projects and also to take up all kinds of interior works, decorations, civil works and contracts, work contracts, infrastructure projects of any other person or organization including of Government. Also to act as and carry on activities as builders, contractors, sub-contractors, developers of land and structures, leasing of properties or spaces and architects. Also to undertake maintenance, upkeep and management of Properties. Also to carry on distribution, design, installation, sale, import, export, deal and maintenance of equipment related to green energy, water, wiring, security, electrical, HVAC, plumbing, escalators and other facilities and provisions used in projects similar to those listed above, both as integral to the above projects and also to carry on independently in the form of separate lines of business. And also to use modern technologies and solutions including use Artificial Intelligence (AI), Machine Learning, Internet of Things (IOT), and Cloud as applicable to disrupt and revolutionize the way such projects are done.

**B) The Other Objects Incidental or Ancillary to the attainment of the main objects are:**

1. To buy, sell, hire, manufacture, exchange, let on hire, lease, import, export, use, operate, convert, alter and in any manner considered expedient to deal in all substances, material, machinery, appliances, articles and things capable of being used, or death in, in connection with any of ht above trade, business articles or things or required by workmen and other employed by the company, and to carry on and conduct and business, transaction of operation commonly carried on or conducted in connection with any of the above trades of business.
2. 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.
3. To search for , get, 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 carryon business relating to the winning, production, working, manufacture and preparation of any materials used in the manufacture of any of the above mentioned items or which may usefully or conveniently be combined with the manufacturing or engineering business or the company of any contracts undertaken by the Company and either for only such purposes or as an independent business.

For **SOFTSOL INDIA LIMITED**

  
**BHASKARA RAO MADALA**  
Whole Time Director

4. To carry on business as importers, exporters, buyers and sellers of an merchants and dealers in and manufacturers of merchandise, goods, materials and machinery of all kinds, spare parts, accessories and equipments to enhance the value of the Company.
5. To repair, alter remodel, clean, renovate, convert manipulate and prepare for resale and resell nay goods from time to time belonging to the Company.
6. To act as agents and brokers for sellers, buyers, exporters, importers, manufacturers, merchants, tradesmen, insurers and other generally to undertake and carry out agency work of any kind whatsoever and transact in all manner of agency and commission business.
7. To act as stockiest, commission agents, manufacturers, representatives or agents, selling and purchasing agents and distributors for any other company, firm, corporation or person.
8. To carry on any other business, which may seem to the company capable of being conveniently carried on in connection with any business of the Company or calculate directly or indirectly to enhance the value or render profitable any of the Company's property or rights for the time being.
9. To acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on, or processed of property suitable for the purpose of this company.
10. To take or otherwise acquire and holds shares in any other company having objects altogether or in part similar to those of this company or carrying on any business capable of being conducted so as directly or indirectly to benefit this company.
11. To purchase, take on lease or in exchange, hire or otherwise acquire any immovable or movable property, and any rights, or privileges which the company, may think necessary or convenient for the purposes of its business and in particulars any land, building, easements, machinery, plant and stock-in -trade and either to retain any property so acquired for the purposes of the company's business or to turn the same to account as may seem expedient.
12. To construct, improve, maintain develop, work, manage, carry out or control any buildings, factories or works, or any roadways, tramways, railways, branches or sidings, bridges, wells, reservoirs, watercourses, wharves, warehouses, electric works, shops, stores, crawls and other buildings for housing work-people and others, or other works and conveniences which may seem calculated directly or indirectly to advance the company's interests and to contribute to, subsidize or take part in the construction, improvement, maintenance, development, working, carrying out or control thereof.
13. To lend money to such person or companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company, and to guarantee the performance of contracts by and obligations or any persons or companies and to give all kinds of indemnities.

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14. To apply for, purchase or otherwise acquire any patents, brevets, invention, licenses, concessions, and the like conferring any exclusive or non-exclusive or limited right to use, or any secret of other information as to any invention which may seem capable of being used for any of the company, or the acquisition of which may seem calculated, directly or indirectly, to benefit the purpose of the Company, and to use, exercise, develop or grant licenses in respect or otherwise turn to account the property, or information so acquired.
15. To establish, provide, maintain and conduct, or otherwise subsidize research laboratories and experimental workshops for scientific and technical researches, experiments and to undertake and carry on with all scientific and technical, investigations and invention of all kinds and by providing , subsidizing, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing for the remuneration of scientific or technical professors or teachers and by providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise and generally to encourage, promoter and reward studies, researches, investigations, experiment tests and inventions of any kind that may be considerate likely to assist any of the business which the Company is authorized to carry on.
16. To employ or otherwise acquire consultants, technical experts, engineers, technicians, scientists, mechanics, foremen, specialists in any field activity, skilled and un-skilled labour for any of the purposes or business of the Company, or to investigate and examine into conditions, prospects, values character and circumstances of any business concerns and undertakings and generally of any assets, property or right, and to remunerate them suitably.
17. To adopt such means of making known the business of the Company as may seem expedient, and in particular by advising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
18. To establish and support, or aid in the establishment and support of association, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company, or the dependents or connections of such persons and to grant pensions and allowances and to make payment towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object.
19. To enter into any arrangement with any government, or authority supreme, municipal, local or otherwise, that may seem conducive to the company's objects of any of them, and to obtain form any such Government or authority all rights, concessions and to carry out, exercise and comply with any such arrangements, right, privileges and concessions.
20. To obtain any provisional order or Act of the Government of India or any provisional Government for enabling the company to carry and of its objects into effect, or for effecting modification of the Company's constitution, 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 Company's constitution, or for any other purpose when may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly, to prejudice the Company's interests.

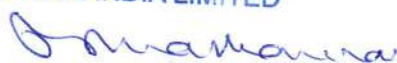
For SOFTSOL INDIA LIMITED



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21. To enter partnership, or into any arrangement for sharing profits or losses, or for any upon of interest, joint-venture, reciprocal concession or co-operation with any person or person, or company or companies carrying on, or engaged in or about to carry non or engage in or being authorized to carry on or engage in any business or transaction capable of conducted so as directly or indirectly to benefit this company.
22. To sell, lease, grant licenses, easements and other rights over in any other manner deal with or dispose of, the undertaking, property, assets, rights and effects of the company, or any part thereof, such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other Company.
23. To amalgamate, enter into any partnership or partially amalgamate with or acquire an interest in the business of any Company, person or firm carrying on a business included in the objects of the Company, or enter into any arrangement for sharing profits, of for co-operation, or for limiting competition or for mutual assistance, with any such person firm or to company, or acquire and carry on any other business(whether manufacturing or otherwise) auxiliary to the business of the company or connected therewith or which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property 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 to hold and retain, or sell mortgage and deal with any shares, debentures debenture-stock or securities so received.
24. To underwrite, acquit take up and hold shares, stocks,, debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or in any foreign country and debentures, debentures-stock bonds obligations and securities issued or guaranteed by any government, Sovereign, Ruler, Commissioner, Public body or authority, Supreme, Municipal, local or otherwise, whether at home or abroad.
25. To acquire any such shares, stocks, debentures, debenture-stock, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise 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 incident to the ownership thereof.
26. To promote, join the promotion of any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company, or for any other propose which may seem directly or indirectly calculated to benefit this Company and to underwrite shares and securities therein.
27. To make donations to such persons or institutions and tin such cases and either of cash or any other assets as may be though directly or indirectly conducive to any of the Company's objects to otherwise expedient and in particular to remunerate any person or corporation introducing business to this company and to subscribe, contribute, or otherwise assist or guarantee money of r charitable scientific, religious or benevolent or for any public, general or other objects and to establish and support or aid in the establishment and support of association, institutions, funds, trusts, and convenience for

For SOFTSOL INDIA LIMITED

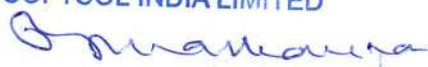


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the benefit of the employees or of persons having dealings with the Company or the dependents, relatives or connections of such persons and in particular friendly or other benefit societies and to grant persons, allowances, gratuities and bonuses either by way of annual payments or lump sum and to make payment towards insurance and to form and contribute to provident and benefit funds of or for such persons.

28. 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's and a third part, to arbitrational India or at any place outside India, and to observe and perform and to all acts, deeds, matters and things to carry out or enforce the wards.
29. To invest and deal with the money of the Company in such manner as may from time to time be determined.
30. To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by mortgage or by the issue of debentures or debentures stock, perpetual or otherwise, charges upon all or any of the Company's property (both present and future) including its uncalled capital and to purchases, redeem and pay of any such securities.
31. To undertake and execute any trust undertaking of which may seem to the Company desirable and either gratuitous or otherwise.
32. To draw, make, accept, endorse, discount, execute and issue bills of exchange promissory notes, bills, of lading, warrants, debentures and other negotiable or transferable instruments or. Securities.
33. 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 or other securities of the Company or in or about the formation or promotion of the Company, or the acquisition of property by the company, or the conduct o fits business.
34. To sell, improve, manage, develop, exchange, dispose of turn to account or otherwise deal with all or any part of the property and rights of the Company for the time being.
35. To distribute any of the property of the Company in specie among the members upon winding up to the as per applicable provisions of Companies Act, 2013.
36. To insure the whole or any part of the property of the Company either fully or partially: to protect and indemnify the company from liability or loss in any respect either fully or partially and also to insure and to protect and indemnify any part or portion thereof either on mutual principal or otherwise.
37. To pay out of funds of the Company, either in cash or fully paid shares or otherwise, all the costs, charges, expended of all parties or an incidental to the promotion, formation, and registration of the Company and of any other company and the issue of its share

For SOFTSOL INDIA LIMITED



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capital and generally all preliminary expenses whatever incurred in relation to the company including registration and stamp fees, legal expenses printing and advertising.

38. To do all or any of the above things either as principals, agents, trustees, contractors or otherwise and by or through agents, sub-contractors, trustees, contractors or otherwise, and either alone or in conjunction with others.

IV. The liability of the members of the Company is LIMITED.

V. The authorize share capital is Rs. 50,00,00,000 (Rupees Fifty Crores only) divided into 5,00,00,000 (five Crores only) equity shares of Rs. 10 (Rupees ten only) which with power to increase, modify and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified, or special rights, privileges thereto respectively such preferential, deferred, qualified, or special rights, privileges or conditions as may be determined under the provisions of the Act including the issue of bonus shares from time to time.

For SOFTSOL INDIA LIMITED



BHASKARA RAO MADALA  
Whole Time Director

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

S. No.	Name, Address, Description, Occupation and Signature of the Subscriber	Number of Equity Shares subscribed	Name, Address, Occupation and Signature of witness
01	CHIGURUPATI UMA DEVI W/o. Ch. Radha Krishana Srinagar (Post) Varni (Mandal) Nizamabad (Dist) Occupation : Business  Sd/-	100 (One Hundred Only)	M. Nagarjuna Reddy Chartered Accountant  Dr. M. Eswara Reddy Badam Sohana Apts, Raj Bhavan Road, Hyderabad – 500082  Sd/-
02	MADALA SRIDEVI W/o. Bhaskara Rao Madala 1-2-476, Rakasipet, Bodhan Nizamabad (Dist) Occupation : House Wife  Sd/-	100 (One Hundred Only)	

Place: Hyderabad

Date: 20-07-1990

For SOFTSOL INDIA LIMITED

*Bhaskara Rao Madala*

BHASKARA RAO MADALA

Director



UNDER THE COMPANIES ACT, 1956  
(ACT, 1 OF 1956)  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
**SOFTSOL INDIA LIMITED**

**PRELIMINARY**

Application of Table A in  
Schedule I of the Act.

1. The regulations contained in Table A in the First Schedule to the Companies Act, 1956 shall apply to this Company, in so far as they are not inconsistent with or repugnant to any of the regulations contain in these regulations.

**INTERPRETATION**

Interpretation Clause

2. In the interpretation of these Articles, the following words and expression shall have the meanings unless repugnant to the subject or context:

"The Act" or "The Said Act"

"The Act" or "The Said Act" means the Companies Act, 1956 as upto date or any other statutory modifications and re-enactments thereof for the time being in force.

"SIL" means SOFTSOL INDIA LIMITED, a company incorporated under the Companies Act 1956, of India in the State of Andhra Pradesh.

"The Board" or "The Board of Directors"

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

"The Company"

"The Company" or "This Company" means SOFTSOL INDIA LIMITED

"Director"

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

"Alter"

"Alter" and Alteration" shall include the making of additions, omission, insertion, deletion and substitutions.

"Representative Directors"

"Representative Director/s" means Director/s nominated by the Promoters.

"Month" & "Calendar Month"

"Month" means a period of thirty days, a "Calendar month" means an English Calendar Month.

"Beneficial Owner"

"Beneficial Owner" shall have the meaning assigned thereto by section 2(1)(a) of the Depositories Act, 1996.

"Depository"

"Depository" shall have the meaning assigned thereto by section 2(1)(e) of the Depositories Act, 1996.

"Depositories Act, 1996"

"Depositories Act, 1996" shall means Depositories Act, 1996 and include any statutory modification or any enactment thereof for the time being in force.

Member

"Member" means the duly registered holder from time to time of the Shares of the Company of any class and includes the subscriber(s) of the Memorandum of the company and every person whose name is entered as beneficial owner of any share in the records of Depository, but does not include the bearer of share warrant of the Company, if any, issued in pursuance of Articles of the Company.

"SEBI"

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

"Meeting"

"Meeting" or "General Meeting" means a meeting of members.

"Annual General Meeting"

"Annual General Meeting" means a general meeting of the members held in accordance with the provisions of Section 166 of the Act,

"Extraordinary General Meeting"	"Extraordinary General Meeting" means an Extraordinary General Meeting of the members duly called and constituted and any adjourned thereof.
"Office"	"Office" means the registered office for the time being of the company.
"Paid-up"	"Paid-up" includes capital credited as paid-up
"Dividend"	"Dividend" includes Bonus
"Security"	"Security" means such security as may be specified by SEBI from time to time.
"Person"	"Person" includes an individual, an association of persons or body of individual, whether incorporated or not and a firm
"Register of Member"	"Register of Members" means the Register of Member to be kept in pursuance to the provisions of the Act and "Depositories Act, 1996".
"Registrar"	"The Registrar" means the Registrar of Companies of the state in which the registered office of the Company is for the time being situated
"These Present" or "Regulations"	"These Presents" or "Regulations" means these Articles of Association as originally framed or altered from time to time and includes Memorandum where the context so requires.
"Seal"	"Seal" means the Common Seal for the time being of the Company.
"Secretary"	"Secretary" includes a temporary or Assistant or any individual possessing qualification, if any, prescribed for the time being under the Act and appointed by the Board of Directors to perform the duties which may be performed by the Secretary under the Act and any other ministerial and administrative duties.
"Share"	"Share" means share in the share capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
"Ordinary Resolution" & "Special Resolution"	"Ordinary Resolution" and "Special Resolution" shall have the meaning assigned thereto by Section 189 of the Act.
"Year" and "Financial Year"	"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act.
Gender	Words importing the masculine gender include the feminine gender.

"Words and Expressions defined in the Companies Act, 1956"

Subject as aforesaid, any words and expression defined in the said Act as modified upto the date on which these Articles become binding on the Company shall, except where the subject or context otherwise requires, bear the same meaning in these Articles.

"Writing"

"Writing" shall include printing and lithography and any other mode or modes representing or reproducing words in a visible form.

"Marginal Notes"

The Marginal Notes hereto shall not affect the construction hereof.

### **SHARE CAPITAL**

Amount of Capital

3. The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 5,00,00,000 (Five Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each with the rights, privileges and conditions attaching thereto as provided by the Articles of the Association of the Company for the time being. The Company has power from time to time to increase or reduce its Capital and to divide the shares in the Capital for the time being into other classes and to qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privilege, conditions or restorations in such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative, provisions for the time being in force in that behalf.

Shares under the control of the Directors

4. Subject to the provisions of the Act and in particular section 81 of the Act, the shares in the Capital of the Company for the time being (including and share forming part of any increased capital of the Company) shall be under the control of the Board of Directors whose may 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 Act) at a discount and at such time as the Board thinks fit and with full power to give to any person the option to call for or allot shares of any class of the Company either at par or at a premium or at a discount and such option being exercisable for such time and for such consideration as the Board of Directors think fit.

Provided that an option or right to call off shares shall not be given to any person or persons without the prior sanction of the Company in General Meeting.

Power of General Meeting to offer shares to such persons as the Company may resolve

5. In addition to and without derogating from the power for the purpose conferred on the Directors under Article 7, the Company in general meeting may by ordinary resolution, determine to issue further shares out of the authorised but unissued capital of Company and may determine that any shares (whether forming part of the original capital or of any increased capital of the company) shall be offered to such persons (Whether members or holders of debentures of the company or not) in such proportions and on such terms and conditions and whether at a premium or at par, or (subject to compliance with the provision of section 79 of the Act) at a discount as such general meeting shall determine and with full power to give any person (Whether a member or holder of debenture of the Company or not) option to be allotted shares of any class of the Company either at a premium or at a discount, such option being exercisable at such times and for such consideration as may be directed by such general meeting or the Company in general meeting may make any other provisions whatsoever for the issue, allotment or disposal of any share. Subject to any direction given by general meeting as aforesaid the provisions of Articles 73 hereof shall apply to any issue of new shares.

Directors may allot shares as fully paid up

6. Subject to the provision of the Act and these Articles, the Directors may allot and issue shares in the capital of the company in payment or part payment for any property or assets of any kind whatsoever (including the good-will of any business) sold or transferred or goods or machinery or known-how supplied or for service rendered to the Company either in about the formation or promotion of the company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up shares as aforesaid. The Directors shall cause returns to be filed of any such allotment as provided by Section 75 of the Act.

Acceptance of Shares

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

Deposit and calls to be debt payable immediately

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

Company not bound to recognise any interest in shares other than of the registered holder

Except when required by law and in particularly by section 187 C of Act, or ordered by a Court of competent jurisdiction, the company shall not be bound to recognise any person as holding any share upon any trust and the Company shall not be bound, by, or be compelled in any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) in equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Article or as ordered by a Court of Competent jurisdiction or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. Provided that the Company or investor may exercise an option to issue, deal, hold the securities (including shares) with Depository in the electronic form and the certificates in respect thereof shall be dematerialised in which event the rights and obligations at the parties concerned and the matters connected therewith or incidental thereto shall be governed by the provision of the Depositories Act, 1996.

#### **INCREASE, REDUCTION AND ALTERATION OF CAPITAL**

Increase of Capital

10. The Company may from time to time by ordinary resolution in General Meeting increase its share capital by the creation and issue of new shares of such amount as it thinks expedient, subject to the provisions of the Act. Subject to the provision of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall be directed and if no direction be given, as the Directors shall determine. Such shares may be issued with a preferential or qualified right as to dividends and in the distribution of assets of the Company, and in with a right to voting at General Meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.

Right of Equity Share holders to further issue of capital

11. Where, at any time after the expiry of two years from the date of formation of the Company or at any time after the expiry of one year from the date of allotment of shares in the Company made for the first time (Whichever is earlier) it is proposed to increase the subscribed capital of the company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the Equity shares of the Company in proportion as nearly as circumstances admit, to the capital paid-up on those shares at that date, and such offer shall be made in accordance with the provisions of section 81 of the Act. Provided that notwithstanding anything herein before the further shares aforesaid may

include the person who, at the date of offer are holders of the equity shares of the Company in any manner whatsoever.

(a) If a special resolution to that effect is passed by the Company in General Meeting

(b) Where no such special resolutions is passed if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person or where proxies are allowed, by proxy, exceeds, 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 that behalf, that the proposal is most beneficial to the Company.

Further issue of capital to be governed by same rules

12. Except so far as other wise provided by the Conditions of issue or by there presents, any capital raised by creation of new shares shall be considered part of the original capital and shall be subject to the provision herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting or otherwise.

Issue of preference shares

13. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are, or at the option of the company, are liable to be redeemed and the redemption may, subject to the provisions of Article 5 hereof effected in the manner and subject to the terms and provision of its issue.

Reduction of Capital

14. The company may, subject to provision of Sections 78,80,100 to 106 (both inclusive) of the Act, from time to time by special Resolution reduce its share capital, Capital redemption Reserve Account or Share premium Account in any way authorised by law and in particular may pay off any paid up share capital upon the footing that it may be called up again to otherwise and may, if and so far as in necessary, alter its Memorandum by reducing the amount of its shares capital and of its shares accordingly. This article is not to derogate from any power the company would have if it were omitted.

Consolidation division and sub-division

15. The company in General Meeting alter the conditions of its Memorandum as follows :

(a) Consolidate and divide all or any of the share capital into shares of larger amount than its existing shares;

(b) Sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the

Memorandum so, how ever, that in the sub-division the proportion between the amounts, paid and the amounts, if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.

- (c) Cancel shares which at the date of such General Meeting have not been taken or agreed to taken by any person and diminsh the amount of its share capital by the amount of the shares so cancelled;

Refusal to sub-divide  
consolidate in respect of less  
than 100 Equity shares

16. Notwithstanding anything contained in Article 12, the Director may refuse an application for sub-division or consolidation of Equity Share Certificate into denomination of less than 100 Equity Shares except when such sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent court of law or a request from a member to convert his holding of odd lot of shares into transferrable/marketable lots, subject, however to verification by the company.

Issue of further pari pasu  
shares not to affect the  
rights of shares already  
issued

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

#### **MODIFICATION OF RIGHTS**

Rights attached to any class  
of shares may be varied

18. If at any time the share capital is divided into different classes, the rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provision of sanctions 106 and 107 of the Act, be modified, commuted, affected, abrogated or varied (whether or not the company is being bound up) with the consent in writing of the holders of not less than three-fourth of the issued shares of that class, or with meeting of the holders of that class of shares and all the provisions herein after contained as to General Meeting shall mutatis mutandis apply to every such meeting.

#### **UNDERWRITING AND BROKERAGE**

Commission for placing  
shares, debentures etc.

19. The Company may, subject to the provision of Section 76 and other applicable provisions (if any) of the Act, at any time pay a commission to any person in consideration his subscribing, whether absolutely or conditionally, for any shares in or debentures of the company as per the rate prescribed in the Act, if any. The commission may be satisfied by the payment of cash or the allotment of fully of partly paid shares or debentures or partly in the one way and partly in the other. The company may also on any issue of shares or debentures pay such brokerage may be lawful.



Buy back of shares

20. **Buy Back of Shares** : The company shall have a power subject to and in accordance with all other applicable provisions of the Companies Act, 1956, to acquire/ purchase any of its fully paid shares on such terms and conditions and upto such limits as may be prescribed by the law from time to time and may be determined by the Board from time to time and may make payment out of free Reserves and Surplus and /or Securities Premium Account and /or proceeds of any shares or other specified securities or such other funds as may be prescribed by the law in respect of such acquisition/ purchases

#### CERTIFICATES

Shares Certificates

21. The certificates of titled to the shares shall be issued under the seal of the Company which shall be affixed in the presence of and signed by (I) two directors (provided that if the composition of the Board permits one of the aforesaid two Directors shall be a person other than the Managing or Whole-time Director) and (ii) the Secretary or some other persons appointed by the Board for the purpose. Particular of every share certificate issued shall be entered in the Register of Member against the name of the person to whom it has been issued indicating the date of issue. A Director may sign the share certificate by affixing his signature therein by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. Provided always that notwithstanding anything contained in this Article, the certificates of title to shares may be executed and issued in accordance with such other provision of the Act, or the rules made thereunder, as may be in force for the time being and from time to time.

Member's right to certificate

22. Subject to the compliance of the relevant provision of the Act and the Companies (Issue of Share Certificate) Rule 1960 every member or allottee of share(s) shall be entitled without payment to receive atleast one or more certificate in the marketable lot under the seal of the company for all the shares of each class or denomination registered in his name in such form as the Directors shall prescribe or approve specifying the number of shares allotted to him and the amount paid thereof. Such certificates shall be issued only in pursuance of a resolutions passed by the Board and on surrender to the company of its letter of allotment or of its fractional coupons of requisite value save in case of issue against letters of acceptance or of renunciation, or in case of issue of bonus shares, provided that, if the letter of allotment is lost or destroyed the Board may impose such reasonable terms if any as it think fit as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating

such evidence. If the Directors is approved and upon payment of such fees, if any, or free of charges the directors may from time to time determine in respect of each class of shares. No member shall be entitled to more than one certificate for shares of each class.

Right to refuse to issue share/debenture Certificate not with marketable lot

23. The Directors may in their absolute discretion refuse sub-division of shares/debenture certificate where such sub-division will result in the issue of certificate for number of shares and / or debentures which is less than the marketable lot unless the sub-divisions required to be made to comply with a statutory provision of any order or a competent court of law.

Limitation of time for issue of certificates

24. The company shall within two months after the allotment of any of its shares or debentures and within one month after the application for the registration of the transfer of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred unless the conditions of issue of the shares or debentures otherwise provide and the Company shall otherwise comply with the requirement of Section 113 and other applicable provisions (if any) of the Act.

As to issue of new certificate in place of those defaced, lost or destroyed

- 25 (a) No certificates of any share or shares or debentures shall be issued either in exchange for those which are sub-divided or consolidated in replacement of those which are defaced, torn, or old decrepit, worn out, or rendered useless from the reverse for recording transfers have been fully utilised, unless the certificate in lieu of which they are issued are surrendered to the Company. No duplicate certificate shall be issued in lieu of those that are lost or destroyed without the evidence of such loss or destruction and indemnity and the payment of out of pocket expenses incurred by the company in investigating evidences as the Board thinks fit.
- (b) When a new share certificate has been issued in pursuance of clause(a) as above, it shall state on the face of it and against the stub or counter foil to the effect that it is "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.
- (c) Where a new share certificate has been issued in pursuance of clause (a) or clause (b) as above, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicating against the names 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 "Remarks" Column.

- (d) All bank forms to be issued for 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 and miles and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose and the Secretary or other persons aforesaid shall be responsible for rendering an account of these forms to the Board.
- (e) Managing Director of the Company or the time being Secretary, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and the safe custody of all books and documents, relating to the issue of share certificates except the blank forms of share certificates referred to in sub-article(d).
- (f) All the books and documents referred to in sub-article (e) shall be preserved in good order permanently.

Endorsement Certificates

- 26. Every endorsement upon the certificate of any share in favour of any transferee thereof shall be signed by such person for the time being authorised by the Directors in that behalf.

Directors to comply with rule

- 27. The Board shall comply with requirement prescribed by any rules made pursuance to the said Act relating to the issue and execution of share certificates.

### **CALLS**

Board may make calls

- 28. The Board of Directors may from time to time, (bg a Resolution passed at the meeting of the Board and not by Circular Resolution) but subject to the conditions hereinafter mentioned, make such calls as they think fit, upon the members in respect of all monies unpaid on the shares held by them respectively (Whether on account of the capital value of the shares or by way of premium) and which are not by the condition of the allotment, made payable by fixed times and each members shall pay the amount of every call so made on him to the person and at the times appointed by Directors. A call may be made payable by instalments. The call may be revoked or postponed at the discretion of the Board.

Calls on shares of same class to be made on uniform basis

- 29. Where any calls are made on shares, such calls shall be made on uniform on all shares falling under the same class. For the purposes of this Article, share of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

Notice of calls

- 30. At least thirty days notice of every call, otherwise than an allotment shall be given specifying the time of payment

and if payable to any person other than the Company, the name of the persons to whom the call shall be paid, provided that before the time for payment of such call the Directors may, by notice in writing to the members, revoke the same.

Call to date from Resolutions

31. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be required to be paid on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.

Directors may extend time

32. The Directors may from time to time, at their discretion extend the time for the payment of any call on such subsequent date as shall be fixed by the Directors.

Amount payable at fixed time or by instalments as calls

33. If by the terms of issue of any share, any amounts are made payable at any fixed time or by instalments at fixed times (Whether on account of the nominal amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given all the provision herein contained in respect of call shall relate to such amount or instalment accordingly.

When interest on call or instalment payable

34. If the sum payable in respect of any call or instalments be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share(s) in respect of which a call shall have been made or the instalments shall be due shall pay interest on the same at such rate as the Directors shall fix from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

Judgement decree of partial payment not to preclude for forfeiture

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

Evidence of Forfeiture

36. Subject to the provisions of the Act and these Articles on the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whom shares money is sought to be recovered, that the resolution making the calls duly recorded in the minute book, and that notice of such calls was duly posted to the member or his representative in pursuance of these presents, and

it shall not be necessary to prove the appointment of the Directors who made such call nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Acceptance of money in advance due upon the shares.

37. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares held by him moneys so paid in advance or so much thereof as from time to time the amount of calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate as the member paying such sum in advance and the director agree upon and the Company may at any time repay the amount so advanced either by agreement with the member or other wise upon giving to such member three month's notice in writing. No member paying any sum in advance shall be entitle to participate in profits or dividend or to voting rights in respect of the money so paid by him until the same would, but for such payment become presently payable.

#### **FORFEITURE, SURRENDER, LIEN**

If call or instalment not paid notice may be given

38. If any member fails to pay the whole or any part of any call instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or instalment or any part thereof or other money as aforesaid remain unpaid or a judgement or degree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or on the person (if any) entitled to the shares by transmission, regarding him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued by the company by reason of such non-payment.

Terms of notice

39. The Notice shall name a day (not being less than 14 days from the date of the notice) on or before which and the place or places at which such call, instalment or such part thereof and such other moneys as aforesaid and such interest are to be paid, and if payable to any person other than the Company, the person to whom such payment is to be made. The notice shall also state that in the event of non-payment at or before the time and (if payable to any person other that the company) at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

Shares to be forfeited in default of payment

40. If the requirements of any such notice as aforesaid shall not be complied with, any of the shares in respect of which notice has been given may, at any time thereafter but

before payment of all calls or instalments, interest be, forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Entry of forfeiture in register of members

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

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

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

Directors may annul forfeiture

43. The Directors may, at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

Shareholder still liable to pay money owing at the times of forfeiture and interest

44. Any person whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments interest, or in respect of such shares at the time of the forfeiture together with interest therein from the time of the forfeiture until payment at such rates the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture but shall not be under any obligation to do so.

Effect of forfeiture

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

Surrender of shares

46. The Directors may, subject to the provisions of the Act accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.

Company's lien on shares

47. The company shall have no lien on its fully paid shares. In the case of partly paid up shares, the Company shall have a first and paramount lien on such shares registered in the name of each member, whether solely or jointly with others and upon the proceeds of sale thereof for all money called or payable at a fixed time in respect of such

shares and whether held solely or jointly with any other person and whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 47 is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Director may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

As to enforcement of lien by sale

48. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made unless the sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell have been served on such member, his executors or administrators or his committee, or other legal representatives as the case may be, and default shall have been made by him or them in the payment of the sum payable as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and have no effect and the Directors shall be entitled to issue a new certificate(s) in lieu thereof to the purchaser or purchasers concerned.

Application of proceeds of sale

49. The net proceeds of any such sale, after payment of the costs of such sale, shall be applied towards the satisfaction of such debts, liabilities or engagements of such member and the residue, (if any) shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to such member or the person (if any) entitled by transmission to the shares so sold.

Certificates of forfeiture

50. A certificate in writing under the hands of two Directors that the call in respect of a share was made by a resolution of the Directors to that effect shall be conclusive evidence of the facts stated therein as against all persons entitled to such share.

Title of purchaser and allottee of forfeited shares or shares sold in exercise of lien

51. Upon any sale after forfeiture or for enforcing a lien in the exercise of the power herein before given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed off may be registered as the holder of the share and he shall not be bound to sell to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity

in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person.

Cancellation of Share certificates in respect of forfeited shares

52. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, on demand by the Company, have been previously surrendered to it by the defaulting member stand cancelled and become null and void and have no effect and the Directors shall be entitled to issue new certificates in respect of the said shares to the person or persons entitled thereto.

#### **TRANSFER AND TRANSMISSION OF SHARES**

Form of Transfer

53. The instrument of transfer of any shares shall be in writing and all the provisions of section 108 of the Act and of any statutory modifications thereof for the time being in force shall be duly complied with in respect of all transfers of shares and the registrations. Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferrer and transferee both of whom are entered as beneficial owners in the records of depository.

Instruments of transfer to be executed by the transferor and transferee

54. Every such instrument of transfer shall be signed by or on behalf of the transferrer and by or on behalf of the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

Transfer not to be registered except on production of instrument of transfer

55. The company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferrer and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the company within the prescribed period along with the certificate relating to the shares, or if no such share certificate relating to the shares is in existence along with the letter of allotment of the shares. Provided that, there on an application in writing made to the Company by the application in bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or in behalf of the transferrer and by or in behalf of the transferee has been lost, the company may register the transfer on such terms as to indemnify as the Board may think fit provided any power of the Company to register as shareholder any person to whom the right to any share in the Company has been transmitted by operation of law.



56. (a) Subject to the provision of section 111 of the Act, the Directors may at their absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares and shall not be bound to give any reason for such refusal and in particular may so decline in respect of shares desired to be transferred whilst any money in respect of shares desired to be transferred remain unpaid and such refusal shall be affected by the fact that the proposed transferee is already a member. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except as stated herein above. The registration of the transfer shall be conclusive evidence of the approval by the Directors of the transferee.
- (b) The Company may refuse the transfer of any its securities in the name of the transfer of any one or more of the following grounds and on no other ground namely.
- (1) that the instrument of transfer is not proper or has not been duly stamped and executed or that the certificate relating to the security has not been delivered to the company or that to the registration of such transfer has not been complied with;
  - (2) that the transfer of the security is in contravention of any law;
  - (3) that the transfer of the security is likely to result in such change in the composition of the Board of Directors as would be prejudicial to the interest or in the interest of the Company or to the public interest;
  - (4) that the transfer of the security is prohibited by any other court, tribunal or other authority under any law for the time being in force
  - (5) The transfer of shares, in whatever lot, would not be permitted though there could be no objection to the Company refusing to split a share certificate into several scrips of small denominations or to consider a proposal for transfer of share certificate to several parties, involving such splitting/transfer appears to be unreasonable or without a genuine need.

Except as above, the company would not refuse transfer in violation of the Stock Exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

Notice of refusal to be given to transferor and transferee

57. If the Company refuses to register the transfer of any share or transmission of any right therein the Company shall, within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of transmission as the case may be, and thereupon the provision of section 111 of the Act, or any statutory modification thereof for the time being in force shall apply.

Transfer by legal representative

58. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member be valid as if he had been a member at the time of the execution of the instrument of transfer.

Custody of instrument of transfer

59. The instrument of transfer after registration shall be retained by the Company and shall remain in its custody. The Directors may use to be destroyed all transfer deeds lying with the company for a period of ten years or more.

Closure of transfer books

60. The Directors shall have power, on giving not less than seven days previous notice by advertisement as required by section 154 of the Act, to close the transfer books of the Company, the Register of Members or the Register of Debentures holders at such time or times and for such period(s) of time(s) not exceeding 30 days at a time, as to them may seem fit.

Title of shares of deceased holder

61. The executor or administrators or a holder of a succession certificate in respect of the estate 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 the shares registered in the name of such deceased member and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained probate or letters of Administration as the case may be, from a duly constituted court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of probate or letters of Administration or Succession Certificate and register the name of any person who claims to be absolutely entitled to the shares standing in the name of deceased member, as member.

Transmission Article

62. Subject to the provisions contain in Article 58 hereof, any person becoming entitled to a share in consequence of the death, lunacy or insolvency of any member, upon producing proper evidence of the grant of probate or Letter of Administration or Succession Certificate or such other evidence that he sustains the character in respect of which he purports to act under this Article or of his title to the shares as the Board thinks sufficient may, with the consent of Board (which is shall not be under any

obligation to give), be registered as member in respect of such shares, or may, subject to the regulations as to transfer herein before contained, transfer such shares. This Article is herein referred to as transmission Article.

Refusal to register in case of transmission

63. Subject to the provision of the Act and these Articles the Directors shall have the same right to refuse to register any such transmission until the same be so verified on until or unless as indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient.

Persons entitled, may receive dividend without being registered as member

64. A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividends or moneys as hereinafter provided, be entitled to receive any dividends or other moneys payable in respect of the shares.

No fee on transfer or transmission

65. The company shall not charge any fee for registration of transfer or transmission in respect of share or debentures of the company.

Company not liable for disregard of a notice prohibiting registration of transfer

66. The company shall incur no liability or responsibility whatsoever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right title or interest (to or in such shares notwithstanding that the Company may have received a notice prohibiting registration of such transfer and may have entered such notice as referred thereto in any book of the Company, and save as provided by Section 187-C of the Act, the Company shall not be bound or required to be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the attend to any such notice and give effect thereto, if the Directors so think fit.

Register of Transfer

67. The company shall keep a book called the "Register of Transfer" and therein shall be fairly and distinctly entered the particulars of every transfer, transmission of any share in the Company.

#### **DEMATERIALIZATION AND REMATERIALIZATION OF SHARES**

Power to the company to Dematerialise and Rematerialise

68. Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialise its existing shares, debentures and other securities held by it with Depository and / or offer its fresh shares and debentures and other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the Rules framed thereunder, if any.

Intimation to the Depository 69. Notwithstanding anything contained in this Article, where securities are dealt with in a Depository, the company shall intimate the details of allotment of securities to Depository immediately on allotment of such securities.

Option for Investors 70. Every person subscribing to or holding securities of the company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time option out of a Depository, if permitted by law in the manner provided by the Depositories Act, 1996 and the company shall in the manner and within the time prescribed, issued to the beneficial owner the required certificates of securities

Rights of Depositories & Beneficial Owner 71. (a) Notwithstanding anything to the contained in the Act or these Articles, a depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the depository as registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to the member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all liabilities in respect of the securities, which are held by depository.

#### **EMPLOYEE STOCK OPTION**

Employee Stock Option 72. The Directors are hereby authorised to issue Equity shares or Debentures (whether or not convertible into equity shares) for offer and allotment to such of the officers, employees and workers of the company as the Directors may select or the trustees of such trust as may be set up for the benefit of the Officers, Employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the Stock Exchanges and of the Securities and Exchange Board of India, the Directors may impose the condition that the shares in or debentures of the company so allotted shall not be transferable for a specified period.

#### **CONVERSION OF SHARES INTO STOCK**

Conversion of shares into stock and re-conversion 73. The company by ordinary resolution in General Meeting may:-

(a) Convert any paid-up shares into stock; and

- (b) Re-convert any stock into paid-up shares of any denomination

Transfer of stock

- 74. The holder of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of shares from which the stock arose.

Rights of Stock holders

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

Regulations to apply to stocks

- 76. Such of the regulations of the Company (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock and the words "share" and "Shareholders" in these regulations shall include stock and stockholders respectively.

### SHARE WARRANTS

Issue of Shares warrants

- 77. The company may issue share warrants subject to, and in accordance with, the provisions of sections 114 and 115; and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identify of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.
- 78. (a). The bearer of a share warrant may at any time deposit the warrant at the Office of the company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the company, and of attending, and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.

- (b) Not more than one person shall be recognised as depositor of the share warrant
- (c) The company shall, on two days' written notice, return the deposited share warrant to the depositor.
- (d) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the company, or attend, or vote or exercise any other privilege of a member at the meeting of the company, or be entitled to receive any notices from the company.
- (e) The bearer of a share warrant shall be entitled in all other respect to the same privileges and advantages as if he were named in the register of members as the holder of the shares included in the warrant, and he shall be a member of the company.
- (f) The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

#### **JOINT-HOLDERS**

79. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefits of survivor ship subject to the following and other provisions in the articles
- (a) the company may be entitled to decline to register more than three persons as the joint holders of any shares;
  - (b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other respect of such share;
  - (c) on the death of any such joint holder the survivor or survivor shall be the only person or persons recognised by the company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of deceased joint holder from any liability in respect of the shares held by him jointly with any other persons;
  - (d) Only the person whose name stands first in the Register of members may give effectual receipts for any dividends or other moneys payable in respect of such share;
  - (e) Only the person whose name stands first in the Register of Members as one of the joint holder of any share be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall

be deemed to include all documents referred to in Article 216) from the Company and documents served on or sent to such person shall be deemed service on or sent to such person shall be deemed service on all the joint holder

- (f) Any one of two or more joint-holders may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy then that one of such joint holders be present at any meeting stand first or higher (as the case may be) on the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holder shall be entitled to be present at the meeting. Provided to vote in preference to a joint holders present by proxy although the name of such joint holder present by proxy stands first or higher in the Register in respect of such shares, several executors or administrators of a deceased member in whose (deceased members) sole name any share stands shall for the purposes of this sub-clause be deemed joint-holders.

#### **NOMINATION FACILITY TO THE SHAREHOLDERS/DEBENTURES HOLDERS**

Option of the Nominee

80. (a) Every shareholder or debenture holder of the company, may at any time nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be prescribed under the Act.
- (b) Where the shares debentures of the Company are held by more than one person jointly, joint holders may other nominate a person to whom all the rights in the shares or debentures as the case may be shall vest in the event of death of all the joint holders in such manner as may be prescribed under the Act.
- (c) Notwithstanding anything contained in any other law for the time being force or in any disposition whether testamentary or otherwise, where a right to vest the shares or debentures, the nominee shall, on the death of the share holders or becoming entitled to all rights in such shares or debentures or as the case may be all the joint holders in relation to such shares or debentures, to the exclusion of all other persons, unless, the nomination is varied or cancelled in the manner, as may be prescribed under the Act.
- (d) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to the nomination to appoint any person to become entitled to shares in or debentures of the Company in manner prescribed under the Act, in the event of his death, during the minority.

81. A nominee upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either.

(a) to register himself as holder of the share or debenture, as the case may be ; or

(b) (i) to make such transfer of the shares and / or debentures, as the deceased shareholder or debenture holder as the case may be, could have made

(ii) If the nominee elects to be registered as holder of the shares or debentures, himself as the case may be, he shall deliver or send to the company a notice in writing signed by him stating that he so elected and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder, as the case may be;

(iii) A nominee shall be entitled to the share dividend/interest and other advantages to which he would be entitled if he were he registered holder of the shares or debentures, provided that he shall not, be being registered as a member, be entitled to exercise any right conferred by membership in relation to meeting of the company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures and if the notice is not complied with in ninety days, the board may thereafter withhold payment of the all dividends, bonuses or other respect of the shares or debentures until the requirements of the notice have been complied with.

#### **DECLARATION BY PERSON NOT HOLDING BENEFICIAL INTEREST IN ANY SHARE**

82. (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, within such time and in such form 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 such manner as may be provided in section 187-C of the Act :

(b) A person who holds a beneficial interest in share or a class of shares of the Company, shall 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 Section 187-C of the Act.

- (c) Whenever there is change in the beneficial interest in share referred to above, the beneficial owner shall, 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 as provided in Section 187-C of the Act,
- (d) Notwithstanding anything contained in section 153 of the Act and Article 12 hereof, where any declaration referred to above is made to the company, the company shall make a note of such declaration in Register of Member and file with in 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.

Trust and its recognition

83. Save as herein otherwise provided, the Company shall be entitled to treat the person whose names appear on the Register of Members/Debentures as the holder of any shares/debentures in the records of the company and/or in the records of the Depository as to absolute owner thereof and accordingly shall not (except as may be ordered by a Court of competent jurisdiction or as may be required by law) be bound to recognise benami trust or equitable, contingent, future or other claim or interest or partial interest in any of the shares/debentures on the part of any other person or (except only as is by these Articles other wise expressly provided) and right in respect of a share other than an absolute right thereto on the part of any other person whether or not is shall have express or implied notice thereof, but the Board shall be at liberty and at its discretion decide to register any share/debenture in the joint names of any two or more person or the survivors of them.

#### **DEBENTURES**

84. The company shall have power to issue debentures whether convertible or non-convertible and whether linked to issue of equity shares or not, among members, but in exercising, this power, provision of. section 108,113,117, to 123,128,129,133,134,152,153B, 170(2)(a), 170(2)(b), 187 and 192 of the Companies Act, 1956, or any statutory modifications thereof shall be complied with

#### **GENERAL MEETING**

Annual General Meeting

85. Subject to the provisions of Section 166 and 210 of the Act the Company shall, in addition to any other meeting, hold a general meeting (hereinafter called as "Annual

General Meeting") at the intervals and in accordance with the provisions contained in section 166 of the Act.

Extraordinary General Meetings

86. All General Meetings other than annual general meetings shall be called extraordinary general meetings.

Director may call extraordinary General Meeting

87. the Board of Directors may call an Extra-ordinary General Meeting whenever they think fit.

Directors to call extraordinary General meeting on requisition

88. (a) The Board of Directors shall, on the requisition of such numbers of members of the Company as hold, in regard to any matter at the date of deposit of the requisitions, not less than one tenth of such of the paid-up capital of the Company upon which all calls or other moneys then due shall have been paid as at that date carries the right of voting in regard to that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and to provisions of Section 169 of the Act and the provisions herein below contained shall be applicable to such meeting.

(b) If the Board of Directors do not, within twenty one days from the date of the deposit of a valid requisition in regard to any matter, proceed duly to call a meeting for the consideration of those matter on a day not later than forty five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists themselves or by such of the requisitionist as represent either 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 clause (1) above which ever is less.

#### PROCEEDING AT GENERAL MEETINGS

Quorum at General Meeting

89. Five members entitled to vote and present in person shall be a quorum for a General Meeting & no business shall be transacted at any General meeting unless the quorum requisite be present at commencement of the meeting.

Proceedings when quorum not present

90. If within half an hour after the time appointed for the holding of a general meeting quorum be not present, the meeting, if convened on the requisition of shareholders shall be dissolved and in every other case, shall stand adjourned to the same day in the next week or if the day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint, if at such adjourned meeting a quorum be not present within half an hour those members present shall be a quorum and may transact the business for which the meeting was called.

2014/11/27

Chairman

91. The Chairman of the Board of Directors shall be entitled to take the Chair at every General meeting if there be no chairman or he shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Vice Chairman, or in the case of his absence or refusal, the Director present may choose a chairman, and in default of their doing so the members present shall choose one of the Directors to be the Chairman and if no Director present be willing to take the Chair, the members present shall choose one of the member to the Chairman.

Evidence of the passing of a resolution where poll not demand

92. At any General Meeting, a resolution put to the vote of the meeting shall, unless a poll is (before or on the declaration of the result on a show of hands) demanded be decided by voting by show of hands and a declaration by the Chairman that a resolution has been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against such resolution.

Demand for poll

93. Before or an declaration of the result of the voting on a show of hands, the Chairman may on his own motion, order a poll to be taken. Poll shall also be ordered by Chairman if is demanded by one or more members present at the meeting in person or by proxy and holding shares or being entitled to votes at least to the extent stipulated by Section 179 of the Act. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Scrutineers at poll

94. When 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. The Chairman shall have the power, at any time before the result of the poll is declared, to remove a scrutineer arising from such removal or from any other cause. Of the scrutineers appointed under this Article, one shall always be a member (not being an officer or employee of the company) present at the meeting provided such a member is available and willing to be appointed.

Demand for poll not to prevent transactions other business

95. The demand for a poll shall not prevent the continuance of a meeting for transaction of any business other than question on which the poll has been demanded.

Resolutions how decided in case of equality of votes

96. In the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands has taken place, or at which the poll is demanded, shall be entitled to second or casting vote in addition to the vote or votes to which he may be entitled as a member.

## VOTES OF MEMBERS

Votes may be given by proxy or attorney

97. Subject to the provisions of the Act and these Articles, votes may be given either personally or by proxy or in the case of a body corporate also by a representative duly authorised under section 187 of the Act.

Votes of members

98. Subject to the provisions of the Act.

(a) On a show of hands, every holder of equity shares entitled to vote and present in person shall have one vote and upon a poll every holder of equity shares entitled to vote and present in person or by proxy shall have one vote for every share held by him.

(b) Every holder of a preference share in the capital of a company shall be entitled to vote at General Meeting of Company only in accordance with the limitation and provisions laid down in Section 87(2) of the Act.

Votes of a person entitled to a share on transmission

99. Any person entitled under the Transmission Article (Article 62 hereof) to transfer any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares provided that at least forty eight hours before the time of holding of 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 gives such indemnity if any, as the Directors may require unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Voting by members of unsound mind and minors

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

No member to vote unless calls are paid-up

101. Subject to the provisions of the Act, no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or be reckoned in a quorum whilst any call or other sums shall be due and payable to the Company in respect of any of the shares of such member.

Joint holders voting

102. Where there are joint registered holders of any shares any one of such persons may vote at any meeting in respect of shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting then one of the said person so present whose

name stands first on the register in respect of such shares shall alone be entitled to vote in respect thereof. Where there are several executors or administrators of a deceased member in whose sole name any shares stand, any one of such executors or administrators may vote in respect of such shares unless any other such executors or administrators is present at the meeting at which such a vote is tendered and object to the votes in which case no such vote shall be exercised except with the unanimous consent of all the executors or administrators present.

Appointment of proxy

103. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (Whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting.

Deposit of instrument of proxy

104. Every proxy shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

105. The instrument of proxy shall be deposited at the office of the Company not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.

Form of Proxy

106. An instrument appointing a proxy shall be in such form as may be prescribed by the Act from time to time.

Custody of the instrument of proxy

107. If any such instrument be confined to the object of appointing a proxy for voting at a meeting of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company, and if embracing other object, a copy thereof, examined with the original shall be delivered to the company to remain in the custody of the company.

Validity of votes given by proxy notwithstanding death of members etc.

108. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or subsequent insanity of the Principal or revocation of the proxy 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, instantly revocation or transfer shall have been received at the office of the company before the meeting.

Chairman of any meeting to be the judge of validity of any vote

109. Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered or given at such meeting and subject as aforesaid, the Chairman present

at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

## DIRECTORS

Number of Directors

110. Subject to the provision of Section 252 of the Act, the number of Directors shall not be less than three, and unless otherwise determined by the Company in General Meeting more than twelve.

Nominee Director

111. The Company may agree with any financial institution or any authority or person or State Government that in consideration of any loan or financial assistance of any kind whatsoever, which may be rendered by it to the Company, it shall till such time as the loan or financial assistance is outstanding have power to nominate one or more Directors on the Board of the Company and from time to time remove and reappoint such Directors and to fill in any vacancy caused by the death or resignation of such Directors otherwise ceasing to hold office. Such financial Directors shall not be required to hold any qualification shares nor shall be liable to retire by rotation.

Debenture Director

112. Any trust deed for securing debentures or debentures stock may if so arranged provide for the appointment from time to time by the Trustees thereof or by the holders, of the debentures, debentures stock of some person to be Director of the Company and may empower such trustee or holder of debenture or debenture-stock from time to time remove any Director so appointed. The Director appointed under this Article is herein referred to as the "Debenture Director " means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or, subject to the provision of the Act be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect not withstanding any of other provisions herein contained.

Appointment of Alternate Director

113. The Board of Directors of the Company may appoint an alternate Director to act for a Director (hereinafter called "the Original Director) during his absence for a period of not less than three months from the state in which the meeting of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he ordinarily held and such appointment shall have effect and such appointee, whilst the holds office as an Alternate Director, shall be entitled to receive notice of meetings of the Directors and to attend and vote there at accordingly.

Casual Vacacny

114. Subject to the provisions of Section 262(2), 284(6) and other applicable provision (if any) of the Act, any casual vacancy occurring in the office of a Director whose period of office is liable to determine by retirement by rotation may be filled up by the Directors at a meeting of the Board. Any person so appointed would have held office, if the vacancy had not occurred.

Appointment of Additional Director

115. Subject to the provision 260, 284(6) and other applicable provisions (if any) of the Act, the Director shall have power at any time to appoint a person(s) as additional Director. Such Additional Director shall hold office only up to the date of the next Annual General Meeting of the Company, but shall be eligible for re-election at that meeting as a Director, provided that the number of Directors and the Additional Director together, shall not exceed the maximum strength fixed by the Article 110 hereof.

Qualifications of Directors

116. A Director of the Company shall not be bound to hold any qualification shares.

Remuneration of Directors

117. Subject to provisions of section 198, 309, 310 and 311 of the Act, the remuneration payable to the Director of the Company shall be as hereinafter provided.

(a) The fees payable to a Director for attending a meeting of the Board or a Committee of the Board shall be decided by the Board of Directors from time to time within the maximum limit of such fees that may be prescribed in such under Section 310 of the Act, or if not, so prescribed in such manner as the Directors may determine from time to time in conformity with the provisions of law. The Directors shall be paid such further remuneration if any, either on the basis of percentage on the net profits of the company or otherwise, as the Company in General Meeting shall from time to time determine or/and such proportion and manner as the Board may from time to time determine.

(b) The Board of Directors may in addition allow and pay to any Director who is not a bonafied resident of the place where a meeting of the Board or committee or a general meeting of the Company is held, and who shall come to that place for the purpose of attending the meeting such sum as the Board may consider fair compensation for his travelling, hotel, boarding, lodging and other expenses incurred in attending or returning from meeting of the Board of Directors, or any Committee thereof or general meetings of the Company.

(c) Subject to the limitations provided by the Act and this article, if any Director shall be called upon to go

or reside out of his usual place or residence on the Company's business or otherwise perform extra service outside the scope of his ordinary duties, the Board may arrange for such Director for such special remuneration for such service either by way of salary, commission, or the payment of stated sum of money as they shall think fit, in addition to or in substitution of his remuneration above provided, and all the Directors shall be entitled to be paid or reimbursed or repaid any travelling, hotel and other expenses incurred or to be incurred in connection with the business of the Company and also to be reimbursed all fees for filing all documents which they may be required to file under the provisions of the Act.

Directors may act notwithstanding vacancy

118. The continuing Directors may act notwithstanding any vacancy in their body but subject to the provisions of the Act, if the number falls below the minimum number fixed and notwithstanding the absence of a quorum, the Directors may act for the purpose of filling up vacancies or for summoning a General Meeting of the Company.

When office of Director to become vacant

119. (a) Subject to the provisions of Section 283(2) of the Act, the office of a Director shall become vacant if:

- (1) he is found to be of unsound mind by a Court of competent jurisdiction, or
- (2) he applies to be adjudicated an insolvent or
- (3) he is adjudged an insolvent; or
- (4) he fails to pay any call made on him in respect of shares of the company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of call unless the Central Government has by notification in the Official Gazette, removed the disqualification incurred by such failure.
- (5) he holds any office or place of profit under the Company or any subsidiary thereof in contravention of section 314 of the Act; or
- (6) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Director for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board of Directors; or
- (7) he becomes disqualified by an order of the Court under Section 203 of the Act; or



- (8) he is removed in pursuance of Section 284 of the Act; or
- (9) he (whether he himself or by any person for his benefit or on his account) or any firm in which he is partner or any private company of which he is a Director accepts a loan, or any guarantee or security for a loan, from the company in contravention of Section 295 of the Act; or
- (10) he acts in contravention of section 299 of the Act and by virtue or such contravention shall have been deemed under the Act to have vacated office, or
- (11) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- (12) he, having been appointed a Director by virtue of his holding any office or there employment in the Company ceases to hold such office or other employment in the Company.

- (b) subject to the provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.

Directors may contract with Company

120. Subject to the provisions of the Act and these Articles no director shall be delinquent by his office from contracting with the Company for any purpose and in any capacity whatsoever including either as Vendor, purchaser, agent, broker, underwriter of shares and debentures of the company or otherwise, nor shall any Director so contracted being so interested be liable to account to the Company for any profit realised by any such holding that office, or of the fiduciary relationship thereby established but it is hereby declared that nature of his interest must be disclosed by him as required by the Act and these Articles.

Disclosure of interest

- 121. (a) Every Director who is in any way whether directly or indirectly concerned or interested in any contract or arrangement or proposed contract or arrangement enter into by or on behalf of the company shall disclose the nature of his concern.
- (b) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under sub-article (a) above shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration or if the Director was not at the date

- (8) he is removed in pursuance of Section 284 of the Act; or
- (9) he (whether he himself or by any person for his benefit or on his account) or any firm in which he is partner or any private company of which he is a Director accepts a loan, or any guarantee or security for a loan, from the company in contravention of Section 295 of the Act; or
- (10) he acts in contravention of section 299 of the Act and by virtue or such contravention shall have been deemed under the Act to have vacated office, or
- (11) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- (12) he, having been appointed a Director by virtue of his holding any office or there employment in the Company ceases to hold such office or other employment in the Company.

- (b) subject to the provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.

Directors may contract with Company

120. Subject to the provisions of the Act and these Articles no director shall be delinquent by his office from contracting with the Company for any purpose and in any capacity whatsoever including either as Vendor, purchaser, agent, broker, underwriter of shares and debentures of the company or otherwise, nor shall any Director so contracting being so interested be liable to account to the Company for any profit realised by any such holding that office, or of the fiduciary relationship thereby established but it is hereby declared that nature of his interest must be disclosed by him as required by the Act and these Articles.

Disclosure of interest

- 121. (a) Every Director who is in any way whether directly or indirectly concerned or interested in any contract or arrangement or proposed contract or arrangement enter into by or on behalf of the company shall disclose the nature of his concern.
- (b) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under sub-article (a) above shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration or if the Director was not at the date

of the meeting, concerned or interested in the proposed contract or arrangement at the first meeting of the Board after the Director becomes so concerned or interested.

- (c) In the case of any other contract, arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangements

General Notice of Interest

122. (a) For the purpose of this Article, a General Notice given to the Board of Directors by a Director to the effect that he is a Director or member of a specified body corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may be after the date of the notice to entered into with that body corporate or firm shall be deemed to be sufficient disclosure of such concern or interest in relation to any contract or arrangement so made.

(b) Such General Notice shall expire at the end of the financial year in which it is 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. The General Notice as aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(c) Nothing contained in Article 121 hereof shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company or two or more of them together holds or hold not more than two percent of the paid up share capital in the other company.

(d) A Director shall not 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 directly or indirectly concerned or interested in the contract or arrangement not shall his presence count for the purpose of forming a quorum at time of any such discussions or vote, and if he does vote, his vote shall be void; provided that this prohibition shall not apply.

(1) to any contact 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.

- (2) to any contract or arrangement 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 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 in his being a member holding not more than two percent of the paid up share capital of such company.
- (3) In case a notification is issued under sub-section (3) of section 300 of the Act to the extent specified in the notification.

Register of contracts  
in which Director are  
interested

123. (a) The company shall keep one or more Registers in accordance with section 301 of the Act in which shall be entered separately particulars of all contracts or arrangements to which section 297 or section 299 of the Act applies including the following particulars to the extent are applicable in each case, namely:

- (1) the date of the contract or arrangements;
- (2) the names of the parties hereto;
- (3) the principle terms and conditions thereof;
- (4) in the case of a contract to which section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of section 299 of the Act applies, the date on which it was placed the Board.
- (5) the names of the Directors voting for any against the contract or arrangement and the names of those remaining neutral

(b) Particulars of every such contract or arrangement to which section 297 of the Act, or as the case may be subsection (2) of section 299 of the Act applies, shall be entered in the relevant Registers as aforesaid;

- (1) in the case of a contract or arrangement requiring the Board's approval, with in seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangements is approved.
- (2) in the case of any other contract or arrangement within seven days of the receipt at the Registered Office of the Company of the particulars of such other contracts or arrangements or within thirty

days of the date of such other contract or arrangement which ever is later.

And the Register shall be placed before the next meeting of the Board and shall than be signed by all the Directors present at the meeting;

- (c) The Register aforesaid shall also specify, in relation to each director of the Company, the names of the firms and bodies corporate of which notice has been given by him under sub-section (3) of section 299 of the Act.
- (d) Nothing in the foregoing sub-articles(a) (b) and (c) shall apply to any contract or arrangement for the sale, purchase or supply of any goods and materials or the cost of such services does not exceed one thousand rupees in the aggregate in any year.
- (e) The registers as aforesaid shall be kept at the Registered office of the Company and they shall be open to inspection at such office and extracts may be taken from any of them 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 fees as in case of the Register of Members.

Directors may be Directors of the companies promoted by the company

124. A Director of the Company may be or may become a Directors of any company promoted by the Company or in which it may be interested as a Vendor, member or otherwise and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefits received as a Director or member of such Company.

#### **RETIREMENT AND ROTATION OF DIRECTORS**

Retirement and rotation of Directors

- 125 (a) At every Annual General Meeting one-third of such Directors for the time being are liable to retire by rotation or if their number is not three or multiple of three, then number nearest to 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 the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by lot.

Notice of candidature for office of Directors

126. (a) Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting if he or some member

intending to propose him as, at least fourteen clear days before the meeting, left at the Registered Office of the Company's a notice in writing under his hand signifying his candidature of the office of Director or the intention of such member to propose him as a candidate for that office as the case may be along with a deposit of Rs. 500/- (Rupees Five Hundred only) or such other sum as may, from time to time, be prescribed by the law as security deposit which shall be refundable only if the candidate in respect of whom the deposit is made has duly been elected as Directors.

- (b) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the company a notice under Sub-Clause (1) of this Article or Section 257 signifying candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as Director if appointed.
- (c) On receipt of the notice referred in this Article the Company shall inform its members of the candidature of that person for the office of a Director or of the intention of a member to propose such person as a candidate for that office serving individual notice on members not less than seven days before the meeting provided that it shall not be necessary for the Company to serve individual notices upon the members if the company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the city, town or village in which the Registered Office of the Company is situated of which one is published in the English language and the other in the regional language.
- (d) A person other than
1. A Director re-appointed after retirement by rotation or immediately on the expiry of his term of office; or
  2. An additional or alternate Director, or a person filing a casual vacancy in the office of a Director under Section 262 of the Act, appointed as Director or reappointed as an additional or alternate Director, immediately on the expiry of his terms of office, or
  3. A person named as Director of the Company under these Articles as first registered.

Shall not act as a Director of the Company unless

he has within thirty days of appointment signed and filed with the Registrar his consent in writing to act as such Director.

### MEETING OF DIRECTOR

Meeting of Director

127. The Director may meet together as a Board from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year, and they may adjourn and otherwise regulate there meetings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of quorum.

When meetings to be convened and notice thereof

128. A Director or the Managing Director may at any time and the Secretary upon the request of a Director shall convene a meeting of the Directors. Notice of every meeting of the Directors of the Company shall be given in writing to every Director for of the time being in India and at his usual address in India and to every other Director as provided in Section 286 of the Act.

Quorum

129. Subject to the provisions of Section 287 and other applicable provisions (if any) of the Act, the quorum for the meeting of the Board of Directors shall be one third of the total strength of the Board of Directors (excluding Directors, if any, whose places may be vacant at the time, and any fraction contained that one-third being rounded off as one) or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number remaining Directors that is say, the number of Director who are not interested and are present at the meeting, not being less than two shall be the quorum during such meeting. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Act or the Articles of the Company, for the time being vested in or exercisable by the Board of Directors generally.

Adjournment of meeting for want of quorum

130. If a meeting of the Board of Directors cannot be held for want of quorum, than the meeting shall stand adjourned until such date and at such time and place as the Chairman may appoint and in default of such appointment to the same day in the next week at the same time and place or if that days is a public holiday till the next succeeding day which is not a public holiday, at the same time and place or to such day, time and place as the Directors may determine.

Appointment of Chairman and Vice-Chairman

131. The Board shall elect one of its members to be the Chairman of the Board and also elect one of its members

to be Vice-Chairman of the board and the Board shall determine the period for which each of them is to hold such office.

Who to preside at meeting of Board

132. All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of the Directors the Chairman be not present at the time appointed for holding the same, then in that case, the Vice-Chairman if present, shall be the Chairman of such meeting, and if the Vice-Chairman be not present, then in that case, the Director shall choose one of their member then present to preside at the meeting.

Questions at Board meeting how decided (casting vote)

133. Questions arising at any meeting of the Board shall be decided by the majority of votes, and in case of equality of votes the Chairman of the meeting, whether the Chairman appointed by virtue of these Articles or the Director presiding at such meeting shall have second or casting vote.

Director may appoint committee

134. Subject to the provisions of Section 292 of the Act, the Directors may delegate any of their powers to committee consisting of such member or members of their body, as they think fit and they may from time to time revoke and discharge any such committee either wholly or in part and either as to person or purposes, but every committee so formed shall, in the exercise of the powers so delegated to fit conform to any regulations that may from time to time be imposed on it by the Directors.

All acts done by any such committee in conformity with such regulations and in fulfillment of the purpose of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by board in terms of these Articles and may pay the same.

Meeting of committees how to be convened

135. The meetings and proceedings of any such committee consisting of two or more Directors shall be governed by the provisions herein contained in respect of the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Minute of proceedings of Board of Directors and committees to be kept

136. The Company shall cause minutes of the meeting of the Board of Directors and of Committees of the board to be duly entered in a book(s) provided for the purpose in accordance with the relevant provisions of section 193 of the Act.

General powers of Directors

137. (a) Subject to the provisions of Section 292, 293, 293A and all other applicable provisions of the Act and



these Articles the board of Directors of the 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 by the Memorandum or these Articles or otherwise to be exercised or done by the Company in General Meetings

- (b) 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.

Certain powers of the Board

138. Without prejudice to the other powers conferred by these Articles it is hereby declared that the directors shall have following powers that is to say power :

To pay preliminary, any promotional costs and charges

- (a) To pay all costs, charges and expenses preliminary and incidental to the promotion, establishment and registration of the company

To pay Commission and interest

- (b) To pay ~~and~~ charge to the capital of the Company any ~~commission~~ or interest lawfully payable thereabout under the provisions of section 76 and 208 respectively of the Act.

To acquire property

- (c) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price of consideration and generally on such terms and conditions as they may think fit, and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

To pay for property in cash debentures or other wise

- (d) At their discretion and subject to the provisions of the Act to pay for any property or rights required, by, or services rendered to the Company, either wholly or partly in cash, or in shares, bonds, of the Company, and any such shares may be issued either as fully paid up or with such amount credited as bonds, debentures, debenture stock, mortgage or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled or not so charged.

To insure properties of the company

- (e) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, product and other moveable property of the Company either separately or jointly; also to insure all or any

portion of the goods, produce machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of effected in pursuance of this power.

To open accounts with banks

(f) To open accounts with any bank or bankers or with any Company or firm and to pay money into and draw money from any such amount from time to time as the Directors may think fit.

To secure contracts by mortgage

(g) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit.

To attach conditions as to transfer of any shares

(h) To attach to any shares to be issued as the consideration or part of the consideration for any contract with property acquired by the Company, such conditions as to the transfer thereof as they think fit.

To accept surrender of shares

(i) To accept from any member, on such terms and conditions as may be agreed, a surrender of his shares or stock or any part thereof, so far as may be permissible by law

To appoint trustees

(j) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes, and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.

To bring and defend suits and legal proceedings

(k) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise, concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debt due, or of any claims or demands by or against the company.

To refer to arbitration

(l) To refer any claims or demand by or against the company or any dispute or difference to arbitration and observe, perform and execute any awards made therein

To act in insolvency matters

(m) To Act on behalf of the Company in all matters relating to bankrupts and insolvent.

To give receipts

(n) To make and give receipts, release and other discharges for moneys payable to the Company and for the claims and demands of the Company.

- To authorize acceptance
- (o) 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 purposes.
- To invest money
- (p) Subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such securities and other investments (not being shares of the Company) or without security and in such manner as they may think fit, and from time to time to vary or realize such investments provided that save as permitted by Section 49 of the Act all investments shall be made and held by the Company in its own name.
- To execute mortgage
- (q) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgages may contain a power of sale and such other powers, convenience, provisions and agreements as shall be agreed.
- (r) To distribute by way of bonus amongst the staff of the Company a part of the profits of the Company and to give to any officer or other persons employed by the Company a commission on the profits of any particular business or transactions and to charge such bonus or commission as part of the Working expenses of the Company.
- Sharing profits
- (s) Subject to the provisions of the Act, to give to any officer or other person employed by the Company an interest in any particular business or transaction by way of a share in the general profits of the Company, and such share of profits shall be treated as a part of the working expenses of the Company
- To provide for welfare of employees and to subscribed to charitable and other funds
- (t) To provide for the welfare of employees or ex-employees of the Company and its Directors or Ex-Directors and the wives, widows, and families and the dependants of such persons, by building or contributing to the building of houses, dwelling or quarters or by grant of money, pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or any other payment or by creating and from time to time subscription or contributing to provident and other funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals, and dispensaries, medical and

other attendance's and other forms of assistance, welfare or relief as the Directors shall think fit, and to subscribe or contribute or otherwise to assist to or guarantee money to charitable, benevolent, religious, scientific, national, public or any other institutions object or purposes or for any exhibition.

To create depreciation and other funds.

- (u) Before recommitting any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to create a Depreciation Fund, Insurance Fund, General Reserve, Reserve Fund, Sinking Fund or any special or other fund or funds or accounts or accounts to meet contingencies, or to pay Redeemable Preference shares, debentures or debenture stock or special dividends, or for equalizing dividends or for repairing, improving, exerting and maintaining any part of the property of the Company, and/or for such other purposes (including the purpose referred to in the last two preceding sub-articles) as the Directors may, in their absolute discretion think conducive to the interests of the Company and to invest the several sums so set aside or as much thereof as are required to be invested upon such investments (subject to the restrictions imposed by the Act and these Articles) as the directors any think fit and from time to time to deal with and vary any such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors 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 General Reserve or the Reserve Fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds or accounts, including the Depreciation Fund appropriated out of the net profits in the business of the Company or in the purchase in repayment of Redeemable Preference Shares, debentures or debenture stock and that without being bound to keep the same separately from the other assets and without being bound to pay or allow interests, on the same with power however to the Director at their discretion to apply or allow interest, on the same with power however to the Director at their discretion to apply or allow interests, on the same with power however to the Directors at their discretion to pay allow to the credit of such fund interest at the Directors may think proper.

To appoint employees

(v) Subject to the provisions of the Act, to appoint and at their discretion remove or suspend managers, secretaries, officer, clerks, agents and employees for permanent trumpery 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 and require security in such instances and to such as they may think, fit and also without prejudice as aforesaid from time to time 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 without prejudice to the general powers conferred by this sub-articles.

To comply with local laws

(w) To comply with the requirements of any local law which the Company is not bound to comply with but which in their opinion it shall be in the interests of the Company necessary or expedient to comply with.

Local Board

(x) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of any Local Board or any managers or agents and to fix their remuneration.

Delegation

(y) Subject to the provisions of Section 292 of the Act and Article 177 from time to time and at any time to delegate to any such Local Board or any members or members thereof or any managers or agents so appointed any of the powers, authorities and discretion's for the time being vested in the Board of Directors and to authorize the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act not withstanding such vacancies therein or the Article may be made on such terms and subject to such conditions as the Board of Directors may think fit and the Board of Directors may at any time remove and persons so appointed and may annul or vary any such delegation.

Power of attorney

(z) At any time and from time to time by power of Attorney to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion's (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors at a meeting of the Board under the Act or these Articles or by the Company in General Meeting) and for such period and subject to such conditions as the Board of

Directors may from time to time think fit and any such appointment may (if the Board of Directors think fit) be made in favour of the member or any of the member of any local Board, established as aforesaid, or in favour of any Company, or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any body of persons whether nominated directly or indirectly by the Board of Directors and any such Power of Attorney may contain such powers for the protection of convenience of persons dealing with such attorneys as the Board of Directors may think fit and may contain powers enabling any such delegate or attorneys as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in them.

To delegate (aa) Subject to the provisions of the Act and these Articles, to delegate the powers, authorities and discretion's vested in the Directors or any person, firm, company, or fluctuating body of persons as aforesaid.

To enter into contracts etc. (bb) Subject to the provisions of the Act and these Articles, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.

To provided for seal for use abroad 139. To exercise the powers conferred by section 50 of the Act, with regard to having an official seal for use abroad.

#### **MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR**

Power to appoint Managing Director and Whole-time Directors 140. Subject to the provisions of Section 197A, 198, 267, 268, 269,309,310, 311, 314, 316 and 317 and other applicable provisions of the Act or these Articles, the Directors may from time to time appoint a Managing Director or Whole-time Directors of the Company on such terms and conditions as may be decided by the Board or the Share holders or any other statutory authorities. The managing director or the Whole time Director will be eligible to exercise such powers as may be delegated by the Board or Shareholders.

#### **BORROWING POWERS**

141. Subject to the provision of the Act and these Article and without prejudice to the other powers conferred by these Articles the Directors shall have the power from

time to time at their discretion, by a resolutions passed at a meeting of the Board and not by circular Resolution, to accept deposits from members either in advance or calls or other wise and generally raise or borrow from members either in advance of calls or other wise and generally raise or borrow or secure the payment of any sum or sums of moneys for the purposes of the Company provided that the total amount borrowed at any time together with the moneys already borrowed by the company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the consent of the Company General Meeting, 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. Such consent shall be obtained by an ordinary resolutions which shall provide for the total amount up to which moneys may be borrowed by the Board. The expression "Temporary loans" in this Articles means loan repayable on demand or within six months from the date of the loans such as short terms loans, cash credits arrangements, discounting of bills and the issue of other short-term loans of seasonable character but does not include loans raised for the purpose of financing expenditure of a capital nature.

Conditions on which moneys may be borrowed

142. Subject to the provisions of the Act and these Articles, the Director may by a resolution passed at a meeting of the Board and not by circular resolution raise or secure the payment of such sum in such manner and upon such issue of bonds, perpetual or redeemable debentures or debentures-stock, or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital of the time being.

Bonds, debentures etc. to be subject to control of Director

143. Any bonds, debentures, debentures-stock or other securities issued or to be issued by the Company shall be under the control of Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the company.

Securities may be assignable free from equities

144. Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Condition on which bonds debentures etc. may be issued

145. Subject to the provision of the Act and these Articles any bonds, debentures, debentures-stock or other securities and with any special rights, privileges and conditions as to redemption, surrender, drawings, allotment of shares attending (but not voting) at general meeting, appointment of Directors otherwise. Provided that debentures with the right to allotment of or

conversion into shares shall not be issued except with the sanction of the company in General Meeting.

Mortgage on uncalled capital

146. If any uncalled capital of the company is included in charged by way of mortgage or other security by the Directors, the Directors shall, subject to the provision of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or, if permitted by the Act, may by instrument under seal, authorise the person in whose instrument under seal, authorise the person in whose favour such mortgage per security is executed or any other person in trust form him to receive monies on call from the members in respect of such uncalled capital and provisions herein before contained in regard to calls made under such authority and such authority may be made exercisable either conditionally or an unconditionally and either the Director's power or otherwise and shall be assignable if expressed so to be.

Indemnity may be give

147. Subject to the provision of the Act and these Articles if the Director or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due form the company, The director may execute or cause to be executed any mortgage, charge or security over of affecting the whole or any part of the assets of the company by way of indemnity to secure from any loss in respect of such liability

Register of mortgage etc. to be kept

148. The board shall cause a proper register to be kept in accordance with the provisions of section 143 of the Act of all mortgage, debentures and charges specifically affecting the property of the Company including all floating charges on the undertaking or any property of the Company, and shall cause the requirements of Section 118, 125, and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied within with in the time prescribed by the said sections or such extensions thereof as may be permitted by the company law board or the Registrar so far as they are to be complied with by the Board. 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.

#### **SECRETARY**

Secretary

149. The Directors shall appoint a whole time Secretary of the company processing the prescribed qualification for such term, at such remuneration and upon such conditions as they may think fit and any secretary so appointed may removed by them.



- Capital paid up in advance or interest not to earn dividend
155. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest, such capital confer a right to dividend or to participate in profits.
- Dividends in proportion to amount paid up
156. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share.
- The Company in General Meeting may declare a dividend
157. The Company in General Meeting may, subject to the provisions of Section 205 of the Act, declare a dividend to be paid to the members according to their respective rights and interests in the profits and subject to the provisions of the Act, may fix the time for payment. When a dividend has been so declared, subject to the provisions of Section 207 of the Act, either the dividend shall be paid or the warrant in respect thereof shall be posted within 42 days of the date of the declaration of the shareholders entitled to the payment of the same.
- Powers of General Meeting to limit dividend
158. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits of the Company, or other wise than in accordance with the provisions of Section 205, 205A, 206 and 207 of the Act and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
- Interim dividend
159. Subject to the provisions of the Act, the Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.
- Right to dividend etc. pending registration of transfer
160. Wherein an instrument of transfer of shares of the Company has been delivered to the Company for the registration and the transfer of such shares has not been registered by the Company, it shall comply with the provisions of Section 206A of the Act in respect of the dividend, right shares and bonus shares in relation to such shares.
- No member to receive dividend whilst indebted to the company and company's right to reimbursement thereof
161. Subject to the provisions of the Act no member shall be entitled to receive payment of any interest or dividend in respect of his shares, whilst any money may be due or owing from him to the Company in respect of such shares or otherwise howsoever either alone or jointly with any other persons, and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.
- Right to dividend pending registration of transfer
162. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Dividend how paid

163. Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the Registered address of the member or person entitled or in case of joint holders to that one of them first named in the Register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or other person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery, thereof by any other means.

Unpaid dividend remitted

164. The Company shall duly comply with the provisions of Section 205-A of the Act in respect of a dividend declared by it but which has not been paid or the warrant in respect thereof has not been posted within forty two days from the day of the declaration to any shareholders entitled to the payment of the Dividend. Where the Company has declared a dividend but which has not been paid or the dividend warrant is in respect thereof has not been posted within 42 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 42 day open a special account in that behalf in any scheduled bank call "Unpaid Dividend Account of SOFTSOL INDIA LIMITED and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to Unpaid Dividend account of the Company in pursuance of section 205A of the Act, which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to the fund established under subsection (1) of section 205C.

Dividend and Call together

165. Any General Meeting declaring a dividend may on the recommendation of the Directors makes a call on the members for such amounts as the meeting fixes, but so that the call to each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so warranted between the Company and the members be set off against the call.

#### **RESERVES AND CAPITALISATION**

Reserves

166. The Board may, before recommending any dividend set aside out of the profits of the Company such sums as it thinks proper as a reserve which shall at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion,

either be employed in the business of the Company or as may be permitted by the Act, applied for payment of dividend or be invested in such investments and in such manner or as may be permitted by the Act and as the Board may from time to time think fit.

Capitalization

167. (a) Any General Meeting may resolve that any amounts standing to the credit of the share premium Account the Capital Redemption Reserve Account, or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization and where permitted by law, from the appreciation in value of any General Reserve, or any Reserve Fund or any other Fund of the company or in the hands of the Company and available for dividend be capitalized.

1. By the issue and distribution as fully paid up shares of the Company; or
2. By crediting shares of the Company which may have been issued to any are not fully paid up on with the whole or any part of the remaining unpaid thereon.

Provided that any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the Company to be issued to member (as herein provided) as fully paid bonus shares.

(b) For the purpose of giving effect to any such capitalization the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash or shares in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangements for the acceptance allotment and sale of such shares and fractional certificates or otherwise as they may think fit.

(c) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly paid only such capitalization may be affected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the

partly paid shares, the sum so applied on the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro-rata in proportion to the amount then already paid or credited as paid on the existing fully paid shares respectively.

- (d) When deemed requisite, a power contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

## ACCOUNTS

Books of account to be kept

168. (a) As required by Section 209 of the Act, the Company shall keep at its Registered Office proper Books of Account with respect to :

1. all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
2. all sales and purchases of goods by the Company; and
3. the assets and liabilities of the Company.

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

- (b) If the Company shall have branch office, whether in or outside India, proper books of account relating to transactions effected at the office shall be kept at the office, and proper summarized returns, made upto date at intervals of not more than three months, shall be sent by the branch office of the Company to its Registered Office or other place in India, as the Board thinks fit, where the main books of the Company are kept.
- (c) All the aforesaid books shall give a true and fair view of the affairs of the Company or its branch office, as the case may be with respect to the matters, aforesaid and explain its transactions.
- (d) The Books of Account and other books and papers shall be open to inspection by any Director during business hours.

Books of account to be preserved

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

Inspection by member of accounts and books of the company

170. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions and regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being Director) shall have any right of inspection any account or books or documents of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.

#### **AUTHENTICATION OF DOCUMENTS**

Authentication of documents and proceedings

171. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, the Managing Director or an authorised Officer of the Company and need not be under its seal.

#### **RECONSTRUCTION/WINDING UP**

Reconstruction

172. On any sale of the undertaking of the Company the Board or Liquidator on a winding up may, if authorised by a Special Resolution, accept fully paid or partly paid-up shares, debentures or securities of any other Company, whether incorporated in India or not, either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Board (if the profits of the Company permit) or the liquidator (in a winding up) may distribute such shares or securities or any other property of the Company amongst the members without realisation, or vest the same interests for them, and any Special Resolution may provide for the distribution or appropriation of cash, shares or other securities, benefit or property otherwise than in accordance with the strict legal rights of the members or contributors of the Company and for the valuation of such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights, if any, under section 494 of the Act as are incapable of being waived or excluded by these Articles.

Distribution of Assets

173. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly

as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the Capital paid up at the commencement of the winding up, the excess shall be distributed along the members in proportion to the capital paid up at the commencement of the winding up or which ought to have been paid up on the shares held by, them respectively. But this Article is to be without prejudice to rights of the holders of shares issued upon special terms and conditions.

Winding up and  
Distribution of assets in  
specie or kind

174. (a) If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution but subject to the rights attached to any preference share capital, divide amongst the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction, of a special resolution but subject to the rights attached to any preference shares capital, divide amongst the contributories, in specie or kind, any part 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 or any of them, as the liquidators, with the like sanction shall think fit.
- (b) If thought expedient any such division may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any such division shall be determined, any contributory who would be prejudiced thereby shall have right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 494 of the Act.
- (c) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution, by notice in writing, intimate to the liquidator to sell his proportion and pay him the net proceeds and the liquidator shall, if practicable, act accordingly.

Right of shareholders in  
case of the sale

175. A Special resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the

Act may, subject to the provision of the Act, in like manner as aforesaid determined that any shares or other consideration receivable by the liquidator be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the member subject to the rights of dissent and consequential rights conferred by the said section.

#### **SECURITY CLAUSE**

Secrecy Clause

176. (a) Every director, manager, auditor, trustee, 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 pledging himself to observe strict secrecy respecting all transaction and affairs of the Company with individuals and in relation thereto and shall by such declaration pledge himself not to reveal the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (b) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or the Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process, which may relate to the conduct of the business of the company and which in the opinion of the Director or the Managing Director it will be inexpedient in the interest of the members of the Company in communicate to the public.

#### **INDEMNITY AND RESPONSIBILITY**

Directors and other right to indemnity

177. (a) Subject to the provisions of Section 201 of the Act every Director of the Company or the Managing Director, Manager, Secretary and other officer or employee of the Company and the trustee (if any) for the time being acting in relation to any of the affairs of the Company and every one of them shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, Managing Director, Manager, Secretary or other officer or employee and the trustees (if any) for the Company may incur or become liable to by reason of any contract entered into or any act, deed or thing done by him as such Director, officer, employee or trustees or in any way in the discharge of his duties.

(b) Subject as aforesaid every Director, Managing Director, Manager, Secretary or other Officer or Employee of the Company or the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 633 of the Act.

Directors and other not responsible for acts of other

178. Subject to the provisions of section 201 of the Act no Director, the Managing Director or other officer of the Company shall be liable for the acts, omissions, neglects or defaults of any Director or officer or for joining in any omission or other act for conformity or for any loss or expenses suffered by the Company through insufficiency or deficiency, of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency, or tortuous act of any person Company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part or for.



S.No	Name, Address, Description, Occupation and Signature of the Subscriber	Name, Address, Occupation and Signature of witness
01.	CHIGURUPATI UMA DEVI W/o. Ch. Radha Krishna Srinagar (P.O) Varni (Mandal) Nizamabad (Dist) Occupation : Business Sd/-	M. Nagarjuna Reddy Chartered Accountant  Dr. M. Eswara Reddy, 6-3-1085, Badam Sohana Apts, Raj Bhavan Road, Hyderabad - 500 082. Sd/-
02.	MADALA SRIDEVI W/o. Bhaskar Rao 1-2-476, Rakasipet, Bodhan Nizamabad (Dist) Occupation : House Wife Sd/-	

**Place : Hyderabad**

**Date : 20-07-1990**