

	<b>THE COMPANIES ACT, 1956</b>	
	<b>COMPANY LIMITED BY SHARES</b>	
	<b>ARTICLES OF ASSOCIATION</b>	
	<b>OF</b>	
	<b>KNIGHT FRANK (INDIA) PRIVATE LIMITED</b>	

**TABLE A NOT TO APPLY TO THE COMPANY**

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

**INTERPRETATION**

2. (a) "The Act" shall mean the Companies Act, 1956 (Act 1 of 1956) as amended from time to time or any statutory modification or re-enactment thereof for the time being in force.
- (b) "Articles" means the Articles of Association of the Company as originally framed or altered from time to time as per the provisions of the Act.
- (c) "Board" shall mean the Board of Directors of the Company
- (d) "Company" means KNIGHT FRANK (INDIA) PRIVATE LIMITED, with limited liability, incorporated under the Act.
- (e) "Dividend" includes interim dividend as defined under the Act
- (f) "ESOP" means "the Employees Stock Option Plan" as approved by the Company from time to time.
- (g) "License" means the license between Knight Frank, LLP, UK (KF LLP) or any other entity designated by KF LLP and Knight Frank (India) Private Ltd. under which Inter alia, KF LLP gave Knight Frank (India) Pvt. Ltd., the right to use various Trade names and Trade Marks.

For Knight Frank (India) Private Limited

*N. Jain*  
Nimisha Jain  
Company Secretary



*N. Jain*

- (h) "MD" means the Managing Director of the Company
- (i) "KF Group" means Knight Frank LLP and all its nominees and Group members worldwide, and each of them
- (j) "Securities" includes shares, scrips, stocks, convertible preference shares, redeemable preference shares, bonds, debentures, debenture stocks, warrants or other marketable securities of a like nature in or of the Company; and rights or interests in securities and includes the term securities as defined under Section 2(h) of Securities Contract (Regulation) Act 1956 or any statutory modification or re-enactment thereof and also includes hybrids of such securities.

#### **PRELIMINARY**

- 3. The Company is set up as a joint venture in foreign collaboration with KNIGHT FRANK & RUTLEY, U.K., for providing consulting and advisory services in the field of real estate and project development support; real estate maintenance and management; research and maintenance of data base and planning and auctioneering. This foreign collaboration arrangement has been approved by the Government of India, Ministry of Industry, Department of Industrial Policy & Promotion, Secretariat for Industrial Approvals, Foreign Collaboration- II Section, New Delhi under their letter No. FC.II.490(95)/679/(95) dated 7th July, 1995.

#### **PRIVATE COMPANY**

- 4. The Company is a Private Company within the meaning of Section 3(1)(iii) of the Companies Act, 1956, and accordingly :
  - a) the right to transfer shares of the Company is restricted in the manner hereinafter appearing;
  - b) the number of members of the Company (exclusive of
    - i persons who are in the employment of the Company and
    - ii persons who, having been formerly in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceased)shall be limited to 50 (Fifty) provided that for the purpose of this provision, where two or more persons hold one or more shares in the Company jointly they shall be treated as a single member; and
  - c) no invitation shall be issued to the public to subscribe for any shares in or debentures of the Company.

- d) any invitation or acceptance of deposits from persons other than its members, directors or their relatives is prohibited.

#### **SHARE CAPITAL AND VARIATION OF RIGHTS**

- 5. The authorized share capital of the Company shall be such amount as stated in the Memorandum of Association of the Company or as altered thereat, from time to time.
- 6.
  - a) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act and the applicable regulations, and whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
  - b) To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question.
- 7.
  - a) Subject to the provisions of the Act and the applicable regulations, the Company may at its discretion issue sweat equity shares or other permitted securities to employees or directors of the Company - by way of ESOP or other approved scheme - at a discount or for a consideration otherwise than in cash for providing know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called, in accordance with provisions of the Act and other applicable provisions of the Act.
  - b) Subject to the provisions of the Act and the applicable regulations, the Company may at its discretion issue equity shares or other permitted securities with differential voting rights as to dividend, voting or otherwise.
- 8. The rights conferred upon the holders of the shares of any class issued with preferred or other right shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
- 9. Except as required by law, no person shall be recognised by the Company as holding any shares upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any 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 Articles or by law

otherwise provided) any other rights in respect of any share except an absolute right to the entire thereof in the registered holder.

10. a) Every person whose name is entered as a member in the register of members shall be entitled to receive within three months after allotment or within two months after the application for the registration of transfer (or within such other period as the conditions of issue shall provide)-
- (i) one certificate for all his shares without payment; or
  - (ii) Several certificates, each for one or more of his shares, upon payment of one rupee for every certificate after the first.
- b) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- c) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
11. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding Rs. 2 [two rupees], and on such terms, if any, as to evidence, indemnity and the payment of out-of pocket expenses incurred by the Company in investigating evidence, as the directors think fit.

#### LIEN

12. a) The Company shall have a first and paramount lien-
- (i) on every share (not being a fully-paid share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (ii) on all shares (not being fully-paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company.
- Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- b) The Company's lien, if any, on a share shall extend to all dividends payable thereon.
13. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien :

Provided that no sale shall be made-

- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share of the person entitled thereto by reason of his death or insolvency.
14. a) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof, subject to other conditions mentioned in these Articles.
- b) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
15. a) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- b) The residue, if any, shall subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### **CALLS ON SHARES**

16. a) The Board may, from time to time, make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
- b) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- c) A call may be revoked or postponed at the discretion of the Board.
17. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.



18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
19. a) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment as the Board may determine.
- b) The Board shall be at liberty to waive payment of any such interest wholly or in part.
20. a) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- b) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
21. The Board –
- a) may, if thinks fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him; and
- b) upon all or any of the moneys so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the member paying the sum in advance.

#### **TRANSFER OF SHARES**

22. Subject to the provisions of these Articles the shares in the Company shall be transferred in the prescribed form or such other form as may be approved by the Board.
23. The Board may also decline to recognise any instrument of transfer unless –
- a) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- b) the instrument of transfer is in respect of only one class of shares.

24. The Company shall be entitled to charge a fee not exceeding two rupees on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, or other instrument, as may be resolved by the Board.
25. Subject as herein provided, no Shareholder shall without the written consent of the other Shareholders :
- a) pledge, mortgage (whether by way of fixed or floating charge) or otherwise encumber its legal or beneficial interest in any Shares except as provided under the provisions of these Articles of Association; or
  - b) sell, transfer or otherwise dispose off any of such Shares (or any interest therein) except as provided under the provisions of these Articles of Association.
26. Subject to the provisions of the Act and the applicable regulations, nothing shall preclude or be deemed to preclude a Shareholder in KF group from transferring all (or part) of its Shares at any price to other Shareholder in KF group.
27. On the death of a member, the survivor or survivors where the member was a joint holder, and his legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to or interest in the shares. Nothing in this clause, shall release the estate of a deceased joint holder from any liability in respect of any share, which had been jointly held by him with other persons.
- The provisions contained in Article 28 hereof shall have effect in relation to transfers, proposed transfers and purported transfers of shares.
28. a) Subject as expressly provided in these Articles, no transfer of any Share shall be made, created or registered without the previous sanction of the Directors who may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any Share, PROVIDED THAT the Directors shall sanction any transfer made in accordance with the provisions of this Article.
- b) With the consent of the Board of Directors, the restrictions imposed by these Articles may be waived or varied in relation to any proposed or deemed transfer of shares.
  - c) If the Company is listed on recognised Stock Exchange in India, the Shareholders shall be entitled to deal with their shares in the manner permitted by the Act and the applicable regulations.

24. The Company shall be entitled to charge a fee not exceeding two rupees on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, or other Instrument, as may be resolved by the Board.

25. Subject as herein provided, no Shareholder shall without the written consent of the other Shareholders :

a) pledge, mortgage (whether by way of fixed or floating charge) or otherwise encumber its legal or beneficial interest in any Shares except as provided under the provisions of these Articles of Association; or

b) sell, transfer or otherwise dispose off any of such Shares (or any interest therein) except as provided under the provisions of these Articles of Association.

26. Subject to the provisions of the Act and the applicable regulations, nothing shall preclude or be deemed to preclude a Shareholder in KF group from transferring all (or part) of its Shares at any price to other Shareholder in KF group.

27. On the death of a member, the survivor or survivors where the member was a joint holder, and his legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to or interest in the shares. Nothing in this clause, shall release the estate of a deceased joint holder from any liability in respect of any share, which had been jointly held by him with other persons.

The provisions contained in Article 28 hereof shall have effect in relation to transfers, proposed transfers and purported transfers of shares.

28. a) Subject as expressly provided in these Articles, no transfer of any Share shall be made, created or registered without the previous sanction of the Directors who may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any Share, PROVIDED THAT the Directors shall sanction any transfer made in accordance with the provisions of this Article.

b) With the consent of the Board of Directors, the restrictions imposed by these Articles may be waived or varied in relation to any proposed or deemed transfer of shares.

c) If the Company is listed on recognised Stock Exchange in India, the Shareholders shall be entitled to deal with their shares in the manner permitted by the Act and the applicable regulations.



person to whom the share is sold or disposed off.

- c) The transferee shall thereupon be registered as the holder of the share.
- d) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

35. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum, which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

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

36. The Company may, by ordinary resolution –
- a) convert any paid-up shares into stock; and
  - b) reconvert any stock into paid-up shares of any denomination.
37. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same provisions under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

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

39. Such of the provisions 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 "shareholder" in those Articles shall include "stock" and

"stockholder" respectively,

#### **SHARE WARRANTS**

40. 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 same, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity 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.
41. 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.
42. a) 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 a meeting of the Company, or be entitled to receive any notice from the Company.
- b) The bearer of a share warrant shall be entitled in all other respects 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.
43. 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.

#### **ALTERATION OF CAPITAL**

44. The Company may, from time to time, by ordinary resolution increase the share

capital by such sum, to be divided into share of such amount, as may be specified in the resolution.

45. The Company may, by ordinary resolution, -
- a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - b) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum, subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 94;
  - c) cancel any shares which, at the date of the passing of the resolution have not been taken or agreed to be taken by any person.
46. a) The Company may, by special resolution, reduce, in any manner and with, and subject to, any incident authorised and consent required by law;
- (i) its share capital; or
  - (ii) any capital redemption reserve account; or
  - (iii) any share premium account.
- b) Subject to the provisions of the Act and applicable regulations, the Company may buy-back its own securities.

#### **GENERAL MEETING**

47. All general meetings other than annual general meetings shall be called extraordinary general meetings.
48. The Board may, whenever it thinks fit, call an extraordinary general meeting.
49. If at any time there are not within India directors capable of acting who are sufficient in number to form a quorum, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **PROCEEDINGS AT GENERAL MEETINGS**

50. a) The provisions of Section 171 to 186 (inclusive) of the Act or any statutory modification or re-enactment thereof shall not apply to the Company.

- b) Three days' notice at least of every General Meeting, Annual or Extraordinary, and by whosoever called shall be given to the persons entitled to such notice under the Act and these Articles.
  - c) The notice of every General Meeting shall specify the date, place and hour of the meeting and shall contain a statement of the business to be transacted at the meeting.
  - d) With the consent of all members entitled to vote at any such meeting, a meeting may be convened by shorter notice than 3 days or without notice.
  - e) Two persons present in person shall be a quorum for a General Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act or any statutory modification or re-enactment thereof.
  - f) Subject to provisions of the Act and applicable regulations, Company may hold any meetings of its members by means of video conferencing, web conferencing or teleconferencing or through any other electronic or other media permitted.
51. The Chairman, if any, of the Board shall preside as chairman at every general meeting of the Company.
52. If there is no such chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairman of the meeting, the directors present shall elect one of them to be chairman of the meeting.
53. Subject to the provisions of the Act, a resolution in writing signed by all the Members for the time being entitled to receive notice of and attend and vote at General Meetings shall be as effective as if the same had been passed at a General Meeting duly convened and held, and may consist of several documents in the like form each signed by one or more persons.
54. If, at the expiration of half an hour from the time appointed for holding a Meeting of the Company, a quorum shall not be present, the Meeting, if convened by or upon the requisition of Members, shall stand dissolved, but in any other case the Meeting shall stand adjourned to the same day in the next week or if that day is a public holiday until the next such succeeding day which is not a public holiday at the same time and place or to such other day and at such other time and place within the city, town and village in which the Registered Office of the Company is situated as the Board may determine, and if at such adjourned Meeting a quorum is not present at the expiration of half an hour

from the time appointed for holding the Meeting, the Members present in person or by proxy shall be a quorum, and may transact the business for which the Meeting was called.

55. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member shall be entitled to be present, and to speak and vote at such Meeting, and on a show of hands every Member present in person or by proxy shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid up equity share capital of the Company.
56. In the case of an equity of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.
57. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
58. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.  
  
For this purpose seniority shall be determined by the order in which the names stand in the register of members.
59. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy
60. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
61. All instruments appointing a proxy shall be in either of the forms in Schedule IX to the Act or a form as near thereto as circumstances admit.
62. The instrument appointing a proxy shall be deposited at or faxed or sent by an e-mail (original to be produced at the time of the meeting) to the registered office of the Company not less than 2 hours before the time appointed for holding the general meeting at which the person named in the instrument proposes to vote.



63. A vote given in accordance with the terms to an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed; or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **BOARD OF DIRECTORS**

64. Until otherwise determined by the Company in General Meeting and subject to the provisions of Section 252 of the Act or any statutory modification or re-enactment thereof, the number of Directors shall not be less than 2 or more than 12.
65. The First Directors of the Company shall be :
1. **Mr. NICHOLAS HOWARD THOMLINSON**
  2. **Mr. GHANSHYAM S. SHETH**
  3. **Mr. PRANAY D. VAKIL**
66. Subject to provisions of the Act and applicable regulations, Board is entitled to appoint additional director/s by a simple majority decision. Notice of any appointment or removal of a director shall be given to the Company at its registered office.
67. Subject to approval of the Board, a Managing Director or Chief Executive Officer may be appointed as Chairman of the company.
68. All decisions of the Board shall be by a majority vote of the Directors. The Chairman shall be entitled to a second or casting vote at any meeting of the Company or of the Board, to be exercised by him only in the event of a deadlock.
69. A Director shall not be required to hold any qualification shares.
70. Notwithstanding anything contained in Article 68 and subject to the provisions of Article 66 and subject to the provisions of Sections 260, 261, 262, 264 and 284(6) of the Act or any statutory modification or re-enactment thereof, the Board shall have power at any time and from time to time, to appoint a person to be a Director, either to fill a casual vacancy or as an addition to the Board but so that

the total number of Directors shall not at any time exceed the maximum fixed above.

71. The Board may appoint and remove an alternate director recommended for such appointment by the Director, (hereinafter called the "Original Director"), to act for him during his absence for a period of not less than three months from the State in which the Meetings of the Board are ordinarily held. An alternate director appointed under this Article shall not hold office as such, for a longer period than that permissible to the Original Director in whose place he has been appointed and shall vacate if and when the Original Director returns to the said State.
72. a) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.
- b) In addition to the remuneration payable to them in pursuance of the Act, directors may be paid all travelling, hotel and other expenses properly incurred by them.
- (i) in attending and returning from meetings of the Board of Directors or any committee thereto or general meeting of the Company; or
- (ii) in connection with the business of the Company.
73. The Board may pay all expenses incurred in setting up and registering the Company.
74. The Company may exercise the powers conferred by Section 50 of the Act or any statutory modification or re-enactment thereof with regard to having an official seal for use abroad, and such powers shall be vested in the Board.
75. The Company may exercise the powers conferred on it by Sections 157 and 158 of the Act or any statutory modification or re-enactment thereof with regard to the keeping of a foreign register, and the Board may (subject to the provisions of those Sections) make and vary such provisions as it may think fit respecting the keeping of any such register.
76. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall, from time to time, by resolution determine.

77. The Board shall review the Business Plan and budgets and, if appropriate, adopt new budgets or plans at the first Board Meeting of each financial year and on other occasions if the Board considers it appropriate. Unless and until an amendment or variation to or replacement of the Business Plan and budgets has been approved by the Board, the then current Business Plan and budget shall be the Business Plan and budget in force for the Company.
78. The quorum for meetings of the Board or any committee thereof shall be two Directors or one-third of the total number of directors on the Board/Committee, whichever is higher, of whom one shall be always be Managing Director, if the company has appointed one on Board/Committee, present at the commencement and throughout the whole meeting and if within half an hour from the time appointed for the meeting, a quorum is not present, the meeting shall stand adjourned to the same day in the next week at same time and place. At such adjourned meeting even if the Managing Director is not present the remaining Directors will constitute a quorum provided the same is in line with this article. For the purpose of calculation of one-third, any fraction will be rounded off to one.
79. Not less than seven days' notice (or such other reasonable period of notice as may be agreed, from time to time) of each meeting of the Board specifying the date, time and place of the meeting and the business to be transacted thereat shall be given to all Directors, unless otherwise agreed.
80. All relevant Board papers for Board meetings will be sent to all Directors not less than two days prior to the relevant Board Meeting.
81. Subject to the provisions of the Act and applicable regulations, a meeting of the Board of the Company or any committee thereof can be held at a place outside India provided that such number of directors, as are sufficient to form a quorum, are present for such meetings. Subject to the provisions of the Act and applicable regulations, a meeting of the directors or its committees may also be held by means of video conferencing, web conferencing or teleconferencing or through any other electronic or other media permitted.

#### **PROCEEDINGS OF BOARD**

82. The Board of Directors may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit and shall so meet at least once in every three calendar months and at least four such meetings shall be held every year.
83. A director may, and the manager or secretary on the requisition of a director

shall, at any time, summon a meeting of the Board.

84. The Board at such meeting shall, inter alia, procure the implementation of the business by passing necessary resolutions.
85. The Board shall appoint such Banks as bankers to the Company and such other banks as the Directors shall nominate and to determine authorised signatories and to sign appropriate mandates therefor.
86. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
87. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
88. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
89. A committee may elect a chairman of its meetings.
90. If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be chairman of the meeting.
91.
  - a) A committee may meet and adjourn as it thinks proper.
  - b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the chairman shall have a second or casting vote.
92. All acts done by any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more such directors or of any person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
93. Save as otherwise expressly provided in the Act, a resolution in writing, signed by the members of the Board or a committee thereof, for the time being entitled to

receive notice of a meeting of the Board or committee who are not less than the quorum required for the Board meeting as per provisions of these articles shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **MANAGER OR SECRETARY**

94. Subject to the provisions of the Act,-
- a) a manager or secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any manager or secretary so appointed may be removed by the Board;
  - b) a director may be appointed as manager or secretary.

#### **RESTRICTIONS ON POWERS OF BOARD**

95. The Shareholders hereby agree that without the consent of the Board the Company shall not :
- a) make any change in the Accounting Reference Date of the Company;
  - b) sell, transfer, lease, license, assign or otherwise dispose off the whole or any material part of its business, undertaking, property and/or its assets;
  - c) carry on any activity other than the Business;
  - d) issue or allot or agree to issue or allot any shares or stock in its capital or any security convertible into such shares or stock or any loan stock or grant or agree to grant options over or rights in any such shares, stock, securities or loan stock;
  - e) pay fees, commissions or emoluments to any Director in excess of Five Hundred Thousand Indian Rupees (Rs. 5,00,000/-) or equivalent in any year;
  - f) make any loan other than credit given in the normal course of business of loans given to employees of the Company;
  - g) In the course of and for the more fully conducting of its Business, purchase, lease, acquire, take options over, exchange or otherwise deal in any real property or any interest therein;
  - h) enter into any loan agreement or other financing agreement or incur commitments of a like nature which shall include without limitation agreements for the leasing, hire purchase or purchase on deferred terms of any asset, make



alterations to any such agreement as is entered into and make drawings or prepayments there under :

PROVIDED THAT the Company may borrow from the Bankers of the Company in the ordinary course of business up to maximum amount outstanding at any one time which shall not exceed its debt to net worth ratio of 1:1 or such amount as shall, from time to time, be agreed by the Board;

- i) enter into any joint venture, partnership or profit sharing agreement with any other persons;
- ii) enter into any foreign exchange transactions outside the ordinary course of the Business

#### **MANAGING DIRECTOR**

- 96. The first Managing Director of the Company shall be Mr. Pranay D. Vakil.
- 97. The remuneration and the term of the Managing Director shall be as fixed by the Board, from time to time.

#### **ACCOUNTS**

- 98. The Company shall keep proper accounting records relating to the Business and make therein true and complete entries of its dealings and transactions in relation thereto.
- 99. a) The Company will furnish to each nominated person of the Shareholders respectively with :
  - (i) monthly management accounts, within four weeks of the end of each calendar month, in the form agreed upon or such form as is notified by the Shareholders to the Company, from time to time
  - (ii) audited accounts within three months of the end of each financial year or such longer period as the Shareholders may agree
  - (iii) to the Shareholders only, a report in respect of each financial year in the form as agreed upon or such form as is notified by the Shareholders to the Company, from time to time
  - (iv) such further information as the Shareholders may, from time to time, reasonably require in relation to the business of the Company or the financial position of the Company or otherwise relating to its affairs

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  - (iv) such further information as the Shareholders may, from time to time, reasonably require in relation to the business of the Company or the financial position of the Company or otherwise relating to its affairs

- (ii) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; or
  - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A share premium account and a capital redemption reserve account may, for the purposes of this Article only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
103. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall-
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all the allotments and issues of fully paid shares, if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power-
- (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares or debentures becoming distributable in fractions; and also
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (3) any agreement made under such authority shall be effective and binding on all such members.

#### **DIVIDEND**

104. The Board shall always adopt a flexible dividend policy which would lead to a strong dividend inflow to the Shareholders.

105. The Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
106. The Board may, from time to time, pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
107. (1) 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 or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- (2) The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.
108. (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend paid, but if and so long as nothing is paid upon any of shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.
- (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the share during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
109. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
110. (1) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing

direct.

- (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

111. Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share.
112. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
113. No dividend shall bear interest against the Company.

#### **EVENTS OF DEFAULT AND CHANGE OF CONTROL**

114. The following shall be "Events of Default" in relation to any Shareholder (the "Defaulting Shareholder") :

Where the Defaulting Shareholder is a Company and :

- (a) the Defaulting Shareholder becomes unable to pay its debts;
- (b) the Defaulting Shareholder ceases or threatens to cease to carry on its business;
- (c) a petition is presented to the Competent Court for the winding up of the Defaulting Shareholder on any available grounds of the laws of the Defaulting Shareholder's country of residence or an order is made or resolution is passed for the winding up of the Defaulting Shareholder;
- (d) a petition is presented for the appointment of an administrator to the Defaulting Shareholder or an administrator order is made or an administrative receiver is appointed over the whole or any part of the undertaking, property or assets of the Defaulting Shareholder;
- (e) a meeting is to be held by the Defaulting Shareholder at which a resolution for the voluntary winding up of the Defaulting Shareholder is to be proposed, notice of which meeting shall be given by the Defaulting Shareholder to the Non-Defaulting Shareholders, in writing, at least 7 business days prior to such meeting being held;
- (f) the Defaulting Shareholder shall make default under any other loan or credit arrangement, any such encumbrance shall take possession of the whole or any



part of the undertaking, property or assets of the Defaulting Shareholder;

the Defaulting Shareholder fails to remedy any material breach on its part of these Articles within 14 working days from the service of a written notice by (all the other) (another) Shareholder(s) complaining of such breach;

115. If the Defaulting Shareholder is an Individual and :
- (a) a petition is presented or the Defaulting Shareholder presents a petition of his/her bankruptcy or a bankruptcy order is made against the Defaulting Shareholder;
  - (b) the Defaulting Shareholder enters into any arrangement, assignment or composition with his/her creditors or any of them or proposes so to do; or
  - (c) in the event of his/her death, if the shares held by him/her are purported to be transferred/transmitted to a person other than an Associated Member, without the approval of the other Shareholders.
116. If an Event of Default occurs, the Defaulting Shareholders, or his personal representatives or equivalent, shall within one week of it occurring, be obliged to notify all Shareholders and the Company thereof and shall be deemed to have issued a Transfer Notice in respect of all of its Shares requesting the determination of the sale price in accordance with Article 30 hereto and the Defaulting Shareholder shall be deemed to be a Proposing Transferor in accordance therewith.
117. The Shares of the Company may be listed on a recognised Stock Exchange if all the Shareholders so agree.
118. Any person on ceasing to be a Shareholder shall promptly pass to the transferee of his/its shares or to the Company, all papers and other information he/it has in relation to the Company, retaining only copies of documents to the extent necessary to enable him/it or its Associated Members to comply with the obligations imposed on them by law or by any regulatory body.
119. Any Defaulting Shareholder required to transfer its shares in accordance with Article 28 shall do so within 3 months of the notice of the Event of Default.
120. These Articles shall continue in full force and effect until the Company is wound up or all of its issued shares are listed on a recognised Stock Exchange.

#### **THE SEAL**

121. (1) The Board shall provide for the safe custody of the seal.
- (2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director who shall sign every instrument to which the seal of the Company is so affixed in his presence, and the seal of the Company shall be affixed to the Share Certificate in the presence of any two directors and of the or such other person as the Board may appoint for the purpose and they shall sign the same.

#### **NO PARTNERSHIP**

122. Nothing herein shall be taken to constitute partnership between the parties hereto nor the appointment of one of the parties as agent or attorney for the other(s) (save only as expressly provided in these Articles).

#### **NO ASSIGNMENT**

123. A person acquiring shares in accordance with a transfer permitted under the terms of these Articles shall first have entered into a legally binding agreement whereby he/it agrees to be bound by the provisions of these Articles of Association binding upon the transferor and thereupon shall assume the rights and obligations of the transfer save in respect of any breaches of these Articles or any matters, covenants, or conditions which shall not have been done, observed or performed prior to the transfer.
124. Save as otherwise expressly provided under these Articles, all rights and obligations hereunder are personal to the parties hereto and may not be assigned at law or in equity without the prior written consent of the other parties hereto.

#### **ARBITRATION**

125. In the event that irreconcilable differences continue between the parties hereto one month after a referral to that effect by one of the parties hereto to any other party, the parties shall jointly appoint an Arbitrator to settle their disputes.
126. The arbitration shall be governed by The Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof.

#### **SECRECY**

127. No member or an employee shall be entitled to inspect any documents/books of accounts without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret, process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose, except only to the person or persons and in the manner required by law or regulatory body or the Statutory Auditors or as otherwise agreed between the parties hereto.

#### **AMENDMENTS**

128. No amendment to these Articles shall be effective unless made pursuant to the provisions of the Companies Act, 1956 wherever applicable and unless made in writing and signed by or on behalf of all the parties.

#### **GOVERNING LAW**

129. Each party and each Shareholder hereby submits to the exclusive jurisdiction of the Indian Courts for determination of any dispute and the non-exclusive jurisdiction of the English or Indian Courts for the purpose of enforcing any judgment or award.

#### **NOTICES**

130. Save as specifically otherwise provided in these Articles any notice, demand or other communication to be served under these presents may be served upon any party hereto only by posting by first class post or delivering the same to the party to be served at the address notified to the Company.

131. A notice or demand served by first class post shall be deemed duly served two weeks after posting and a notice or demand sent by facsimile transmission shall be deemed to have been served at the time of transmission and in proving service of the same it will be sufficient to prove, in the case of a letter, that such letter was properly stamped or franked first class, addressed and placed in the post and, in the case of a facsimile transmission, that such facsimile was duly transmitted to a current facsimile number of the addressee at the address referred to above.

#### **WINDING UP**

132. 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 so distributed 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 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 among the members in proportion to the capital at the commencement of the winding up or which ought to have been paid upon the shares held by them respectively. But this Article is without prejudice to the rights of the holders of shares issued upon special terms and conditions.

- (a) if the Company shall be wound up whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among 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 trustee upon such trust 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 be otherwise than in accordance with the legal rights of 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 division otherwise than in accordance with the legal rights of the contributories shall be determined any contributory who would be prejudiced thereby shall have a 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 direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall, if practicable act accordingly.

#### **INDEMNITY**

133. Subject to the provisions of the Act, every Director, Manager and other officer or servant of the Company shall be indemnified against and it shall be the duty of the Directors to pay out of the funds of Company, all costs, losses and expenses which any such Director, Manager or other Officer or servant may incur or become liable to by reason of any contract entered into or in any way in the discharge of his duties and in particular, and so as not to limit the generality of foregoing provisions, against all liabilities including expenses incurred by him as such Director, Manager, Officer or servant in defending any proceedings whether

civil or criminal, in which judgment is given in his or their favour or he or they is or are acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court and the amount for which indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

134.

Subject to the provisions of the Act, and so far as such provisions permit, no Director, Auditor or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer or servant for joining in any receipt or other act for conformity, or for any loss or expenses happening to the Company through the 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 occasioned by any error of judgment, omissions, default or oversight on his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own willful neglect or default respectively.



We, the several persons whose names, addresses and descriptions are hereunder subscribed below are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the number of shares in Capital of the Company set opposite to our respective names.

Names, addresses, description and occupation of the Subscribers	Number of Equity Shares taken by each Subscriber of Rs. 10/- each	Signature of the Subscribers	Names, addresses description and occupation of witnesses
<p>1. MR. PRANAY DHANSUKHLAL VAKIL</p> <p>S/O MR. DHANSUKHLAL MANCHHASHANKER VAKIL, 3/61 NANIK NIVAS, BHULABHAI DESAI ROAD, BOMBAY - 400 036.</p> <p>PROFESSION</p>	100 (ONE HUNDRED)	SD/-	<p>SD/-</p> <p>GOKARNESH KAMLAKAR SHASTRI</p> <p>S/O SHRI KAMLAKAR P. SHASHTRI</p> <p>8/234 SHASHTRI NAGAR. SARVODAYA CHS LTD., GOREGAON (WEST) BOMBAY - 400 104.</p> <p>SERVICE</p>
<p>2. MR. GHANSHYAM SEVANTILAL SHETH</p> <p>S/O MR. SEVANTILAL MANEKLAL SHETH</p> <p>B, 63 MEHER APTS. ALTAMOUNT ROAD, BOMBAY - 400 026.</p> <p>BUSINESS</p>	100 (ONE HUNDRED)	SD/-	
TOTAL	200 (TWO HUNDRED)		

For Knight Frank (India) Private Limited

*N. Jain*  
Nimisha Jain  
Company Secretary



*N. Jain*