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THE COMPANIES ACT, 1956

ARTICLES OF ASSOCIATION
OF

QUIKR REALTY LIMITED

(Incorporated under the Companies Act, 1956)

INTERPRETATION

1. The regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers by the Company with reference to the repeal of or alteration or addition to its regulations by Special Resolution/s be such as are contained in the articles set out herein below. The regulations contained in Table A of Schedule I to the Companies Act, 1956(1 of 1956) or any other law or enactment in force in its place shall not, except in respect of such of the matters for which no provisions exist in these Articles, apply to this Company. Regulations in Table A not to apply generally

2. (A) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the meanings assigned to them respectively hereunder. Definitions
 - (i) The "Act" -means the Companies Act, 1956 (1 of 1956) or any statutory modification or re-enactment thereof for the time being in force; The "Act"
 - (ii) The "Articles" -means these Articles of Association including alterations made therein from time to time; The "Articles"
 - (iii) "Auditor" -means and includes a person appointed as such for the time being of the Company; "Auditor"
 - (iv) The words "beneficial owner" shall mean the beneficial owner as defined in clause (a) of sub-section (1) of section 2 of the Depositories Act, 1996. "Beneficial Owner"
 - (v) "Board" or "Board of Directors" - means a meeting of the Board of Directors of the Company duly called and constituted, or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a resolution by circulation in accordance with the Articles, or the Directors of the Company collectively; "Board" or "Board of Directors"
 - (vi) "capital" or "Capital" -means the capital for the time being raised, or authorised to be raised, as the case may be, for the purpose of the Company; "capital" or "Capital"

Resolution
passed at the
Extra-ordinary
General
Meeting held on
February 22,
2018

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- (vii) "Chairman"- means the Chairman of the Board of Directors; "Chairman"
- (viii) The "Company"- means Quikr Realty Limited. "Company"
- (ix) (The words "Depositories Act, 1996" shall include any statutory modification or re-enactment thereof and the word "Depository" shall mean as Depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996. "Depository Act, 1956"
- (x) "Director" -means the Director for the time being of the Company or, as the case may be, the Directors assembled at a Board; "Director"
- (xi) "Dividend" - includes bonus; "Dividend"
- (xii) "In writing" and "Written" include printing, lithography and other modes of representing or reproducing words or figures in a visible form; "In writing" and "Written"
- (xiii) "Member" - means a duly registered holder, for the time being, of the shares of the Company, and includes a subscriber to the Memorandum and Articles of Association of the Company ; "Member"
- (xiv) "Meeting" or "General Meeting"- means a general meeting of the Members held in accordance with the provisions of these Articles; "Meeting" or "General Meeting"
- (xv) "Office" or "Registered Office" - Means the registered office, for the time being, of the Company. "Office" or "Registered Office"
- (xvi) "Ordinary Resolution" means a Resolution in respect of which the notice required under the Act has been duly given of the General Meeting at which such resolution is to be proposed and the votes cast (whether on a show a hands or on a poll, as the case may be), in favour of the Resolution (including the casting vote, if any, of the chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the Resolution by members so entitled and voting. "Ordinary resolution"
- (xvii) "Paid up" - includes capital credited as paid up; "Paid up"
- (xviii) "Person" - includes corporations and firms as well as individuals; "Person"



- (xix) "Proxy" - means any person whether a Member or not who is appointed by an instrument to vote for a Member at a General Meeting on a poll; "Proxy"
- (xx) "Register of Members" - means the register of Member to be kept pursuant to the Act; "Register of Members"
- (xxi) The "Registrar" - means the Registrar of Companies of the State in which the Office of the Company is, for the time being, situate; "The Registrar"
- (xxii) "Regulations" or "the Company's Regulations" - means the regulation or bye-laws, for the time, framed by the Company. "Regulations" or "The Company's Regulations"
- (xxiii) "Rules" - means the rules prescribed under the Act, from time to time; "Rules"
- (xxiv) "Seal" - means the common seal, for the time being of the Company; "Seal"
- (xxv) "Secretary" - includes a temporary or Assistant Secretary or any person or persons appointed by the Board to perform any of the duties of a secretary; "Secretary"
- (xxvi) "Share" - means share in the share capital of the Company, and includes stock except where a distinction between stock and shares is expressed or implied; "Share"
- (xxvii) "Special Resolution" means a resolution in respect of which "Special resolution"
- (a) the intention to propose the resolution as a special Resolution has been duly specified in the notice calling the general meeting or other intimation given to the members of the resolution;
- (b) the notice required under the Act has been duly given of the General Meeting: and

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(c) the votes cast in favour of that resolution (whether on a show of hands or on a poll, as the case may be) by Members who being entitled so to do, vote in person, or where proxies are allowed, by proxy, are not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting.

(B) Any reference in these Articles to :-

(a) any gender, whether masculine, feminine or neuter, shall be deemed to be construed as referring to the other gender or genders, as the case may be;

(b) singular number shall be construed as referring to, the plural number and vice versa;

(c) "year" shall be to a calendar year.

(d) "month" shall be to a calendar month.

(C) The marginal notes and catch lines hereto shall not affect the construction or meaning hereof.

(D) Save as aforesaid, any words or expression defined in the Act, but not defined in these Articles and not inconsistent with the subject or context, bear the same meaning herein as assigned to them respectively in the Act.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

3. The authorised share capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crore Only) divided into 1,00,00,000 (One Crore only) equity shares Rs. 10/- (Rupees Ten only) each. Subject to the provisions of the Act and these Articles, shares (whether forming part of the original capital or of any increased capital of the Company) may be issued either with the sanction of the Company by ordinary Resolution in General Meeting or by the Board, as the case may be, with such rights and privileges annexed thereto and upon such terms and condition, as by the General Meeting, or as the case may be, by the board, sanctioning the issue of such shares be directed; and, if no such direction be given, and in all other cases, as the

board shall determine, and in particular such shares may be issued with preferential or qualified right as to dividends and in the distribution of assets of the Company, without prejudice however to any rights and privileges already conferred on the holders of any shares or class of shares, for the time being, issued by the Company.

4. The Company in General Meeting may, from time to time, by Ordinary Resolution increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions, and with such rights and privileges annexed thereto, as the General Meeting shall direct and if no direction be given, as the Director shall determine, and in particular, such shares may be issued with preferential or qualified right as to dividends and the distribution of the assets of the Company and with a right of voting at General Meeting of the Company.

Increase of capital by the Company and how carried into effect

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

Capital same as existing capital

6. (1) Where at any time after expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares made for the first time after formation of the Company, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares;

Further issue of capital

(a) such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares in the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;

(b) such offer shall be made by a notice specifying the number of shares offered and stipulating a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

(c) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to hereinabove shall contain a statement of this right; and

(d) after the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the board may dispose of such shares in such manner as the board think most beneficial to the Company;

(2) Notwithstanding anything contained in preceding clause, the Company may -

(i) by a Special Resolution passed in General Meeting : or

(ii) where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Member so entitled and voting, and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company issue further shares to any person or persons and such person or persons may or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.

(3) Subject to the provision of clause (1) and Clause (2) of this Article and subject to the provisions of the Act, the Board of Directors shall have full power and authority to issue further share capital from time to time including to decide as to the manner in which such further capital may be issued, to whom the same may be issued, the issue price or consideration including the terms of payment thereof and whether the same may be issued for cash for consideration other than cash.

Reduction of Capital

7. (1) The Company may (subject to the provision of the Act) from time to time by a Special Resolution, reduce its capital and any capital redemption reserve account or share premium account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called up again or otherwise.

(2) This Article shall not derogate from any power the company would have if it were omitted.

Increase, sub-division and consolidation of shares

8. Subject to the provisions of the Act, the Company in General Meeting may, from time to time, by ordinary Resolution alter the Conditions of its memorandum of Association so as to -

- (a) increase its share capital by such amount as it thinks expedient by issuing new shares;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denomination;
- (d) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association of this Company, so however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be same as it was in the case of the share from which the reduced share is derived, and the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise, over, or as compared with, the others or other; and
- (e) cancel shares which at the date of passing of the Resolution in that behalf have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

9. (1) Whenever the capital by reason of the issue of preference shares or otherwise, is divided into different classes of shares or otherwise, all or any of the rights and privileges attached to each class may, (subject to the provisions of the Act) and whether or not the Company is being wound up, be varied, modified, commuted, affected or abrogated, or dealt with the consent in writing of the holders of at least three-fourths of the issued shares of that class or with sanction of a special Resolution passed at a separate meeting of the holders of shares of that class and all the provision hereinafter contained as to General meeting shall, mutatis mutandis, apply to every such meeting.

Modification of rights

(2) This Article shall not derogate from any power the Company would have if this Article were omitted.

SHARES AND SHARE CERTIFICATES

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| Share under the control of Board | 10. Subject to the provisions of these Articles and of the Act, the Shares (including any shares forming part of any increased capital of the Company) in the Capital shall be under the control of the Board of Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Board of Directors thinks fit and with full power to give any person the option to call of or be allotted shares of any class of the Company either at a premium or at par or (subject to the provisions of the Act) at a discount and for such time and for such consideration as the Board of Directors thinks fit. |
| Company in General Meeting to determine offer of shares | 11. In addition to and without derogating from the power for that purpose conferred on the board under Articles 10 hereof, the company in General meeting may, subject to the provision of the Act, determine that any shares (whether forming part of the original capital or any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and condition and either (subject to compliance with the provisions of the Act) at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person/s (whether a Member or not) the option to call of or to be allotted shares of any class of the Company either at a premium or at par or at 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 provision whatsoever for the issue, allotment and disposal of any shares. |
| Redeemable Preference shares | 12. Subject to the provision 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 resolution authorising such issue shall prescribe the manner, terms and conditions of redemption. |
| Provision to apply on issue of Redeemable Preference shares | 13. On the issue of redeemable preference shares under the provisions of Article 12 hereof, the following provision shall take effect : <ul style="list-style-type: none"> (a) no such shares shall be redeemed except out of profit of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of share made for the purposes of the redemption; (b) no such shares shall be redeemed unless they are fully paid; (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or out of the Company's share premium account before the shares are redeemed; |

- (d) where any such shares are redeemed, otherwise than out of the proceeds of a fresh issue, there shall, out of profit which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal value of the shares redeemed, and the provision of the Act relating to the reduction of the share capital of the Company shall, except as provided in the Act, apply as if the Capital redemption Reserve Account were paid-up share capital of the Company.
14. The Company shall cause to be kept a Register of Members and an Index of members. The Company shall be entitled to keep in any state or country outside India, a branch Register of Members resident in that State or Country. Register and index of Members
15. The Shares in the capital shall be numbered progressively according to their several denominations and except in the manner hereinbefore mentioned, no share shall be sub-divided; provided, however, that the provision relating to progressive numbering shall not apply to shares of the Company which have been dematerialised. Every forfeited or surrendered share continue to bear the number by which the same was originally distinguished. Shares to be numbered Progressively and no share to be sub-divided
16. (1) An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles. Acceptance of Shares
- (2) Every person who thus or otherwise accepts any shares and whose name is entered in the Register of Members shall, for the purposes of these Articles, be a member.
- (3) Notwithstanding anything contained herein the Company shall be entitled to dematerialise its Shares, Debentures and Securities pursuant to the Depositories Act, 1996 and to offer its Shares, Debentures and other Securities for subscription in a dematerialised form. The Company shall further be entitled to maintained a Register of Member with the details of Members holding Shares both in material and dematerialised form in any media as permitted by Law including any form of electronic media.
17. The money, if any, which the Board of Directors shall, on the allotment of any shares being made by it, require or direct to be paid by way of deposit, call or otherwise, in respect of the shares so allotted, shall immediately on the insertion of the name of the allottee in the Register of Members as the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly. Deposit and calls etc. to be debt payable immediately
18. Every Member shall pay to the company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times, and in such manner, as the Board of Director shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof. Liability of Members

Share Certificates and single allottees

19. Every Member or allottee of shares shall be entitled, without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid thereon.

Provided however that when the shares have been allotted in a demat form no such certificate shall be necessary unless the same has subsequently been rematerialised.

Issue of Share certificates

20. (1) Such certificates shall be issued only in pursuance of a resolution passed by the board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of advice or acceptance or letter of renunciation, or in cases of issue of bonus shares.

Provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence.

- (2) For any further certificate, the Board shall be entitled, but shall not be bound, to prescribe a charge.

Certificates to be issued in pursuance of a resolution

21. (1) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificates of any share, which may be the subject of joint ownership of all of them.

- (2) Subject to the provision of the rules prescribed in this behalf, every such certificate shall be issued under the seal, which shall be affixed in the presence of (a) two Directors or persons acting on behalf of the Directors under a duly executed power of attorney and (b) the Secretary or some other person appointed by the Board for the purpose.

The two Directors or their attorneys and the Secretary or other persons so appointed shall sign the share certificate.

Provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing Director or Whole-time Director.

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

- (4) Particulars of every share certificate issued shall be entered in the Register of members against the name of the person to whom it has been issued indicating the date of issue.

22. (1) (a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or in consolidation or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the cages on the reverse for recording transfer have been duly utilised, unless the certificate in lieu of which it is issued is surrendered to the Company. Renewal of share certificates, fees chargeable etc.
- (b) The Company may charge such fee as may be decided by the Board per certificate, issued on splitting or consolidation of share certificate/s or in replacement of share certificate/s that are defaced or torn, old, decrepit, worn out or where the cages on the reverse have been utilised, as the board thinks fit.
- (2) When a new share certificate has been issued in pursuance of clause (1) of this Article, 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..... sub-divided/replaced/on consolidation of shares".
- (3) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on payment of such fee as the board may from time to time fix, and on such terms, if any, as to evidence and indemnity and payment of out-of-pocket expenses incurred by the Company in investigating the evidence, as the Board thinks fit.
- (4) When a new share certificate has been issued in pursuance of clause (3) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate issued in lieu of share certificate No.....". The word "DUPLICATE" shall be stamped or punched in bold letters across the face of the share certificate.
- (5) When a new share certificate has been issued in pursuance of clause (1) and clause (3) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the name(s) of person(s) to whom the certificate is issued, the number and date of issue of share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross references in the "Remarks" column.
23. (1) All blank forms to be used for issue of share certificate shall be printed and the printing shall be done only on the authority of a resolution of the Board. Safe custody of blank share certificate, forms books, etc.
- (2) The Blank forms shall be consecutively machine- numbered and the forms and the blocks, engraving, 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.

- (3) The secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the board.
- (4) The Managing Director of the Company, for the time being, or if the Company has no Managing Director, every Director of the Company and the Secretary, if any, shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificate, except the blank forms of share certificate referred to in Clause(1) of this Article. All books referred to herein shall be preserved in good order permanently.

The first named of joint holders deemed holder

24. If any share stand in the names of two or more persons, the person first named in the Register of Members shall, as regard receipt of dividends or bonus, or services of notices and all other matters connected with the Company, except voting at meeting, and the transfer of the share, be deemed the sole holder thereof, but the other joint holder(s) of the same shall not be relieved of his/their obligation in respect of payments of all instalments and calls due on the share and all incidents thereof in accordance with the Company's Regulations.

Company not bound to recognise any interest in its share other than that of registered holder

25. Save as herein otherwise provided, the company shall be entitled to treat the person whose name appears on the Register of Member as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (accept as ordered by a Court of competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable, contingent or other claim or interest in such share on the part of any other person wether or not it shall have express or implied notice thereof.

Shares may be registered in the name of body corporate

26. Shares may be registered in the name of an incorporated company or other body corporate but not in the name of a minor (except in a case where they are fully paid) or in the name of a person of unsound mind, or in the name of any firm or partnership.

CALLS AND INSTALMENTS

Directors may make calls

27. (1) The board may, from time to time, subject to the terms on which any shares may have issued and subject to the condition of allotment, by a resolution passed at a meeting of the Board (and not by circulation) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively, and each Member shall pay the amount of every call so made on him to the person, and the time and place appointed by the Board.
- (2) A call may be revoked or postponed at the discretion of the Board.
- (3) A call may be made payable by instalments.

28. Not less than fourteen days notice in writing of any call shall be given by the company specifying the time and place of payment, and the person or persons to whom such calls shall be paid. Notice to calls
29. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board. Calls of date from resolution
30. The joint holders of a share shall be jointly and severally liable to pay all instalments and call in respect thereof. Liability of joint-holders
31. The board may, from time to time, at its discretion, extend the time fixed for the payment of any call, and may extend such time as to the payment of any call for any of the Members but no members shall be entitled to such extension save as a matter of grace and favour. Directors may extend time
- 32.(1) If any Member fails to pay any call due from him on the date appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall, from time to time be fixed by the board. Calls to carry interest
- (2) The Board shall be at liberty to waive payment of any such interest wholly or in part.
33. 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 purpose of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. Sum deemed to be calls
34. Subject to the provision of the Act and these Articles, on the trial or hearing of any suit-action or other proceeding brought by the company against any Member or his representative for the recovery of any money claimed to be due to the company in respect of his shares, it shall be sufficient to prove: Proof of trial of suit for money due on share
- (a) that the name of the Member, in respect of whose shares the money is sought to be recovered, appears entered in the Register of Members as the holder, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered;
- (b) that the resolution making the call is duly recorded in the Minutes Books; and

- (c) that the notice of such call was duly given to the Member or his representative sued in pursuance of these Articles and it shall not be necessary to prove the appointment of the director who made such call, nor that a quorum of Directors was present at the meeting of the Board at which any call was made, nor that the meeting at which any call was made duly convened or constituted nor any other matter whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

Payment in anticipation
of calls may carry
Interest

- 35. (1) (a) The Board may, if it thinks fit, agree to receive from Members, willing to advance the same, all or any part of the amount of their respective shares beyond the sums actually called up, and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter, as exceeds the amount of the calls then made upon and due in respect of the shares on account which such advances are made, the board of Directors may pay or allow interest, at such rate as the Member paying the sum in advance and the Board of Directors agree upon.

Provided that any amount paid up in advance of calls on any shares may carry interest but shall not in respect thereof confer a right to dividends or to participate in profits.

- (b) The Board of Directors may agree to repay, at any time, any amount so advanced or may, at any time, repay the same upon giving to the member three months' notice in writing.
- (2) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

LIEN

Company to have lien
on shares

- 36. (1) The Company shall have a first and paramount lien upon all shares (including fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys including his debts, liabilities and engagement solely or jointly with any other person to or with the Company (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any such share shall be created except upon the footing and condition that Article 25 is to have full legal effect. Any such lien shall extend to all dividends, from time to time, declared in respect of such shares.

- (2) Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

37. (1) For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their member to execute a transfer thereof on behalf of and in the name of such Member.

Enforcing lien by sale

Provided that no such sale shall be made -

- (a) Unless a sum in respect of which the lien exists is presently payable, or
- (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder, for the time being, of the share or the person entitled thereto on his death or insolvency.
- (2) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (3) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (4) The purchaser shall not be bound to see to the application of the purchase money, nor shall to the shares be effected by any irregularity or invalidity in the proceedings in reference to the sale.

38. The net proceeds of any such sale shall be received by the company and applied in or towards payment of such part of the amount in respect of which the lien exist as is presently payable 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 the person entitled to the shares on the date of the sale.

Application of proceeds of sale of shares

FORFEITURE OF SHARES

39. If any Member fails to pay any call or installment of a call, on or before the day appointed for the payment of the same or any such extension there of, the Board of Directors may, at any time thereafter during such time as the call or installment remains unpaid, serve notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

If money payable on share not paid, notice to be given to members

Notice of Forfeiture

40. (1) The notice shall name a day (not being less than thirty days from the date of the notice) and a place or places on and at which such call or instalment and such interest as the Director shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.

(2) The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, the shares, in respect of which the call was made or installment is payable, will be liable to be forfeited.

Judgement etc. not to preclude the Company to enforce forfeiture

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

Forfeiture of shares, etc.

42. If the requirements of any such notice as stated in Article 39 shall not be complied with, every or any share in respect of which such notice has been given may, at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable by the company in respect of the forfeited shares and not actually paid before the forfeiture.

Omission to give notice not to invalidate forfeiture

43. When any share shall have been so forfeited, notice of the forfeiture shall be given to the members in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission nor neglect to give such notice or to make any such entry as aforesaid.

Forfeited share to be property of the company

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

Member liable notwithstanding forfeiture

45. (1) Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand, all call, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment at such rate, as the Board may determine and the Board may enforce the payment thereof, if it thinks fit, but shall not be under any obligation to do so.

(2) The liability of such person shall cease if and when the Company shall have received payment in full of all such money in respect of the shares.

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

Forfeiture to involve extinction of all interest etc.

47. (1) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and may cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and purchaser shall not be bound to see the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person.

Validity of sale on forfeiture

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

48. The Board of Directors, may at any time before any shares so forfeited shall have been sold, reallocated or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Power to annul forfeiture

TRANSFER AND TRANSMISSION OF SHARES

49. (a) Subject to the provisions of the Act and there Articles, a Member may at any time, transfer all or any part of shares held by him, to any person.

Transfer of shares

(b) In the case of transfer of shares or other marketable securities where the Company has not issued any Certificates and where such shares or securities are being held in an electronic and fungible form, the provision of the Depositories Act, 1996 shall apply.

50. The instrument of transfer of any share shall be in writing in the form prescribed under the Act or under the Depositories Act, as near thereto as circumstances will admit.

Form of transfer

51. Every such instrument of transfer in respect of physical shares shall be executed by or on behalf of both the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

To be executed by Transferor and Transferee

Instrument of Transfer to be presented with evidence to title

52. Every instrument of transfer in respect of physical shares shall be presented to the Company duly stamped for registration accompanied by the relative share certificate(s) and such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares, and generally under and subject to such conditions and Regulations as the Board may, from time to time, prescribe and every registered instrument or transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

Application for transfer

53. An application of registration of a transfer of shares in the Company may be made either by the transferor or the transferee.

Transfer of partly paid share when to be registered

54. (1) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(2) For the purpose of clause (1) above, notice to the transferee shall be deemed to have been duly given if it is despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

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

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

Insolvency or liquidation of one or more joint holders of shares

56. In the case of death, insolvency, liquidation, dissolution or winding up of any one or more of the persons named in the Register of Members as the sole or joint holders of any shares, the Company shall not be bound to recognise any person(s) other than the surviving or remaining holder/s.

57. Any person becoming entitled to shares in consequence of death, insolvency, dissolution, winding up or liquidation of any Member, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board, which it shall be under no obligation to give, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or his title, as the Board thinks sufficient, be registered as the holder of the shares subject to the provisions of the Act, and the Articles. Registration of persons entitled to shares otherwise than by transfer
58. The Company may levy a fee for registration of each transfer or transmission of shares Fees on transfer or transmission
59. Subject to the provision of the act, these Articles and subject to the provisions of any other law, the Board may, at its absolute and uncontrolled discretion, and without assigning any reason, decline to register any transfer or transmission of shares (notwithstanding that the proposed transferee or the beneficiary under transmission to be already a Member) but in such case it shall, within two months from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send to the transferee and the transferor, notice of the refusal to register such transfer or transmission. Directors may refuse to register transfer or transmission
60. The Company shall keep a book, to be called the "Register of Transfer and Transmissions", and therein shall be fairly and distinctly entered particulars of every transfer and transmission of shares in respect of physical shares. Register of transfer & transmissions
61. The Board shall have power, on giving seven days previous notice by advertisement in some newspaper circulating at the place where the Registered Office, for the time being, is situate to close the transfer books, the Register of Members and Register of debentureholders, at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty-five days in each year, as to it may seem expedient. Transfer books when closed

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

62. The Company may by Ordinary Resolution passed at a General Meeting convert any fully paid up shares into stock and reconvert that stock into fully paid up shares of any denomination. Where any shares have been so converted into stock, the several holders of stock may thenceforth transfer their respective interest therein or in any part of such interests 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. Share may be converted in stock

Powers of Board to
Borrow

63. 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 the meeting 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.

BORROWING POWERS

Rights of stock holders

64. Subject to the provisions of the Act and of these Articles, the Board may from time to time, at its discretion, by a resolution passed at a meeting of the Board and not by circulation accept deposits from Members either in advance of calls or otherwise, and accept deposit from any other person and generally raise or borrow any sum or sums of money for the purposes of the Company

Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the Ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose, the Board shall not borrow such moneys without the consent of the Company in General Meeting.

The payment and/or
repayment of moneys
borrowed

65. The payment of moneys and/or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by a resolution passed at a meeting of the Board, by the issue of bonds, debentures or debenture stock, promissory notes, short term papers, commercial papers, call deposit instruments in the call money Market or any other instruments in the short term money market and other securities whether or not charged upon all or any part of the Company (both present and future), including its uncalled capital, for the time being, and the same may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Terms of issue of
debentures etc. and
charge on uncalled
capital

66. (1) Any bonds, debentures, debenture-stock and the securities referred to above may be issued at a discount, premium or otherwise, and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares and attending (but not voting) at General Meetings, and as to the rights of appointment of Directors, or otherwise.
- (2) Debentures with right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting.

- (3) If any uncalled capital of the company is included in or charged by way of mortgage or other security, the Board may, subject to the provisions 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 created.

MEETINGS OF MEMBERS

67. (1) The Company shall within a period of not less than one month and not more than six months from the date at which it is entitled to commence business, hold a General Meeting of its Members which shall be called the "statutory meeting"

Statutory and Annual
General Meeting

- (2) The Board shall, at least twenty one days before the day on which the statutory meeting is held, forward the statutory report of every Member of the Company as provided in the Act.

Provided that if the statutory report is forwarded later than is required above, it shall, notwithstanding that fact, be deemed to have been duly forwarded if it is so agreed to by all the Members entitled to attend and vote at the Meeting.

- (3) The Company shall in each year hold General Meeting as its Annual General Meeting in addition to any other Meeting in that year.
- (4) All General meetings other than Annual General Meeting and the statutory meeting shall be called Extra-ordinary Meetings.
- (5) The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company, and every subsequent Annual General Meeting shall be held within six months of the expiry of the financial year to which it relates; provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.
- (6) Every Annual General Meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held either at the Registered Office of the Company or at some other place within the city or town in which the Registered Office of the Company is, for the time being, situate as the Board may determine and the notice calling the Meeting shall specify it as the Annual General Meeting.
- (7) The Company may, at any Annual General Meeting, fix the time for the subsequent Annual General Meeting.

- (8) Every Member of the Company shall be entitled to attend either every General Meeting in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as such Auditor. The proxy register with proxies and the register of Directors' shareholdings shall remain open and accessible during the Meeting.
- (9) At every Annual General Meeting, there shall be laid on the table the Director's Report and Audited Statement of Accounts, and the Auditors' Report (if not already incorporated in the audited Statement of Accounts)

Extra-ordinary General Meeting

- 68. The Board may whenever it thinks fit, call an extra-ordinary General Meeting and it shall do so upon a requisition in writing by any one or more Members holding in the aggregate not less than one-tenth of such of the paid up capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.

Requisition of Members to state matter for consideration

- 69. Any requisition so made by Members shall set out the matter or matters for the consideration of which the Meeting is proposed, shall be signed by the requisitionists, and shall be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

On receipt of requisition, directors to call meeting and in default requisitionists may do

- 70. Upon the receipt of any such requisition, the Board shall forthwith proceed duly to call an Extra-ordinary General Meeting, and if they do not proceed within twenty-one days from the date of the deposit of the requisition at the office, to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of such paid-up share capital of the Company as is referred to in Article 68, whichever is less may themselves call the Meeting, but in either case any meeting so called shall be held within three months from the date of the deposit of the requisition as aforesaid.

Meeting called by requisitionists

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

Twentyone days' notice of meeting to be given

- 72. (1) Atleast twentyone days' notice of every General Meeting, Annual or Extra-ordinary, and by whomsoever called, specifying the day, place and hour of the Meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company.

Provided that in the case of an Annual General Meeting, with the Consent in writing of all the Members entitled to vote thereat and in the case of any other Meeting, with the consent of the Members holding not less than 95 percent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice.

- (2) In case of an Annual General Meeting, any business other than (i) the consideration of the accounts, balance sheet and reports of the Board of Directors and Auditors, (ii) The declaration of a dividend, (iii) the appointment of Directors in the place of those retiring, and (iv) the appointment of, and the fixing of the remuneration of, the Auditors and in the case of any other Meeting all business shall deemed special, and there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of special business, including, in particular, the nature of the concern or interest, if any therein of every Director and the manager, if any.
 - (3) Where any such item of business relates to, or affects any other company, the extent of shareholding interest in that other company of every Director and the Manager, if any, of the Company shall also be set out in such statement if the extent of such shareholding interest is not less than twenty percent of the paid-up share capital of that other company.
 - (4) Where any item of business consists of according of approval to any document in the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
73. The accidental omission to give any such notice to, or the non-receipt of notice by any Member or other person to whom it should be given shall not invalidate any proceedings at the Meeting. Omission to give notice to invalidate proceedings
74. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business, the general nature of which has not been mentioned in the notice upon which it was convened. Notice of business to be given
75. Five Members present in person shall be a quorum for a General Meeting. Quorum at General Meeting
76. (1) If, at the expiration of half an hour from the time appointed for the Meeting, a quorum shall not be present, the Meeting, if convened by or upon the requisition of Members shall stand dissolved. In any other case, it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Board may determine. If quorum not present meeting to be dissolved or adjourned

- (2) If, at such adjourned Meeting also a quorum is not present within half an hour from the time appointed for the Meeting, the Members present shall be a quorum, and may transact the business for which the Meeting was called.

Chairman of General Meeting

77. (1) The Chairman, if any, of the Board of Directors shall preside as Chairman, at every General Meeting, whether Annual or extraordinary.

- (2) If, at any Meeting the chairman shall not be present within fifteen minutes of the time appointed for holding such Meeting, or shall decline to take the Chair, then the Members present shall elect any other Directors as Chairman, and if no Director be present or if all the Directors present at the Meeting decline to take the chair, then the Members present shall elect one of their number to be Chairman.

Business confined to election of chairman whilst chair vacant

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

Chairman with consent may adjourn Meeting

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

Questions of General Meeting how decided

80. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman of the Meeting or by any member or members present in person or by proxy and holding shares in the Company-

(i) which confer a power to vote on the Resolution not being less than one tenth of the total voting power in respect of Resolution, or

(ii) on which an aggregate sum of not less than fifty thousand rupees has been paid up, and unless a poll is so demanded, a declaration by the chairman that a Resolution has, on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the Resolution, that the Resolution has been carried.

Chairman's casting vote

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

82. (1) If a poll is demanded as aforesaid, the same shall, except as otherwise provided in Article 84, be taken at such time (not later than 48 hours from the time when the demand was made) and place in the city or town in which the Office of the Company is, for the time being, situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be the decision of the Meeting at which the poll was taken. Scrutineers at poll
- (2) The demand for a poll may be withdrawn, at any time, by the persons who made the demand.
83. (1) Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. Poll to be taken if demanded
- (2) The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutineer from the office and to fill the vacancy in the office of a scrutineer arising from such removal or from any other cause.
- 84: Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the Meeting itself and without adjournment. In what case poll-taken without adjournment
85. The demand for a poll, except on the questions of the election of the Chairman, and of an adjournment, shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded. Demand for poll not to prevent transactoin for other business
- VOTE OF MEMBERS**
86. No member shall be entitled to vote either personally or by proxy for another Member, at any General Meeting or at any Meeting of a class of shareholder, either upon a show of hands, or upon a poll, in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien. Members in arrears not to vote
87. (1) 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 Numbers of votes to which Member entitled

part of the capital of the Company, every Member, not disqualified by the last preceding Article, 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 shall have one vote and upon a poll every Member present in person or by proxy shall have the right to vote in proportion to his share of the paid up equity capital of the Company, provided, however, if any preference shareholder be present at any Meeting of the Company, save as otherwise provided in the Act, he shall have a right to vote only on Resolutions placed before the Meeting which directly affect the rights attached to his preference shares.

- (2) Such a person shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the Member company which he represents as that member company could exercise.

Votes of Joint Members

88. If there be joint registered holders of any shares, any one of such persons may vote at any Meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if were solely entitled thereto and, if more than one such joint-holder be present at any Meeting either in person or by proxy, that one of the said persons so present whose name stands higher on the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the Meeting.

Voting in person or by proxy

89. Subject to the provisions of these Articles, votes may be given by Members either in person or by proxy.

Appointment of proxy

90. (1) The instrument appointing a proxy shall

(a) be in writing; and

(b) be 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 at an attorney duly authorised by it.

- (2) The proxy so appointed shall not have any right to speak at the Meetings.

Voting on a show of hands

91. No Member present only by proxy shall be entitled to vote on a show of hands. The representative of a body corporate appointed in terms of the Act, however, shall have a vote on a show of hands.

Deposit of instrument of appointment of proxy etc.

92. The instruments appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the Office not less than 48 hours before the time for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote, or in the

case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default, the instrument of proxy shall not be treated as valid.

93. Every instrument of proxy shall be in either of the forms specified in Act, or in a form as near thereto as circumstances admit.

Form of proxy

94. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous winding up of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share of which the proxy is given.

Validity of votes given by proxy notwithstanding revocation thereof

Provided that no intimation in writing of the winding up, revocation or transfer shall have been received at the Office before commencement of the meeting or adjourned meeting at which the proxy is used.

95. No objection shall be raised to the qualification of the voter or to the validity of any vote, except at the Meeting or at the adjourned Meeting or on a poll at which such vote shall be given or tendered, and every vote whether given personally or by proxy, not disallowed at such Meeting or adjourned Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.

Time for objection to the validity of votes

96. The Chairman of any Meeting shall be the sole judge of the validity of every vote given or tendered at such Meeting. 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.

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

97. (1) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such Meeting, entries thereof in books kept for that purpose with their pages consecutively numbered.

Minutes of general meeting and inspection thereof by Members

Explanation: For the purpose of this Articles, "book" includes a binder containing loose leaves.

(2) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed by the Chairman of the same Meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within this period, by a Director duly authorised by the Board for the purpose.

(3) In no case the minutes of proceedings of a Meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(4) The Minutes of each Meeting shall contain a fair and correct summary of the proceedings thereat.

- (5) All appointments of Officers made at any of the Meetings aforesaid shall be included in the minutes of the Meeting.
- (6) (i) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the Meeting.
- (a) is, or could reasonably be regarded as, defamatory of any person;
 - (b) is irrelevant or immaterial to the proceedings; or
 - (c) is detrimental to the interests of the Company.
- (ii) The Chairman of the Meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (7) Any such minutes shall be evidence of the proceedings recorded therein.
- (8) (i) The books containing the minutes of the proceedings of any General Meeting shall be kept at the Office and shall be open, during business hours, for a period of two hours in the aggregate in each day, to the inspection of any Member without charge.
- (ii) Any Member shall be entitled to be furnished, within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in sub-clause (1) on payment of such charges as may be prescribed by the Act.

DIRECTORS

Number of Directors

98. Until otherwise determined by a General Meeting and subject to the provisions of the Act, the number of Directors shall be not less than three and not more than twelve.

First Directors/
Promoters Directors

99. (1) The first Directors of the Company shall be the following:-

1. Satish Gordhan Mehta
2. K.G. Krishnamurthy
3. Ulhas .N. Yargop

The other Directors in the first year may be co-opted by the Board.

- (2) At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. In these Articles a "Retiring Director", means a Director retiring by rotation.
- (3) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between the persons who became Directors on the same day, those who are to retire shall, in default of, and subject to any agreement among themselves, be determined by lot.
- (4) A retiring Director shall be eligible for reappointment.
- (5) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
- (6) If the place of a retiring Director, retiring by rotation at a Meeting, is not filled up at such Meeting and that Meeting has not expressly resolved not to fill the vacancy, that Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (7) If, at the adjourned Meeting also, the place of the retiring Director is not filled up, and that Meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have re-appointed at the adjourned Meeting unless
 - (i) at that Meeting or at the previous Meeting, a Resolution for the re-appointment of such Director has been put to the Meeting and lost;
 - (ii) the retiring Director has, by a notice in writing addressed to the Company or to the Board, expressed his unwillingness to be so re-appointed;

Retirement by and
rotation of Directors

- (iii) he is not qualified for appointment; or
- (iv) a Resolution, whether Special or Ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act; or
- (v) a Resolution moved for the appointment of the retiring director is void on account of the same being not in accordance with the provisions of the Act relating to the appointment of Directors.

Appointment of alternate
Director

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

Appiontment of
additional Directors

101. (1) The Board of Directors shall also have power at any time and from time to time, to appoint any person, as an additional Director, provided that the total number of Directors shall not, at any time, exceed the maximum strength fixed for the Board by the Articles.
- (2) Any person so appointed as an additional Director shall remain in office only up to the date of the next Annual General Meeting, but shall be eligible for the appointment at such Meeting subject to the provisions of the Act.

102. (1) If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board at its meeting.

Filling of casual vacancies

(2) Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.

103. No Director shall be required to hold any shares as qualification shares.

No share qualification for Directors

104. (1) At a General Meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors by a single resolution, unless a resolution that it shall be so made has first been agreed to by Meeting without any vote being given against it.

Appointment of Directors to be voted on individually

(2) A Resolution moved in contravention of clause (1) shall be void, whether or not objection was taken at the time of its being so moved.

Provided that where a resolution so moved is passed, no provision for automatic reappointment of the retiring director in default of another appointment shall apply, as hereinbefore provided

(3) For the purpose of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.

105. (1) A 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 has, not less than fourteen days before the Meeting, left at the Office a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office, as the case may be, along with the deposit of such sum as may be prescribed under the Act, which shall be refunded to such person, or as the case may be, to such a member, if the person succeeds in getting elected as a Director.

Notice of candidature for office of Director except in certain cases

(2) The Company shall inform its Members of the Candidature of a person for the office of a Director or the intention of a Member to propose such person as a candidate for that office, by serving individual notices on the Members not less than seven days before the Meeting;

Provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid, if the Company advertise such candidature or intention, not less than seven days before the Meeting, in at least two newspapers circulating in the place where the Office of the Company is located, of which one is published in the English language and other in the regional language of that place

- (3) 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 as provided in the Act signifying his candidature for the office of 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 a Director, if appointed.

Filing of consent to act as Director

106. A person other than -

- (a) a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office; or
- (b) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office; or
- (c) a person named as a Director of the Company under its Articles as first registered; shall not act as a Director of the Company, unless he has, within thirty days of his appointment, signed and filed with the Registrar his consent in writing to act as such Director.

Remuneration of Directors

107. (1) Each Non-whole-time Director shall be paid a remuneration by way of fee for attending each meeting of the Board of Directors or Committee of the Board of Directors, of such sum as may be determined by the board from time to time within the limits prescribed by the Companies Act, 1956, or Central Government from time to time.

- (2) The Directors may offer and pay to any Director who is not a bonafide resident of the place where a meeting is held and who shall come to such place for the purpose of attending a meeting, such sum as the Directors may consider fair compensation for travelling, hotel and other expenses in addition to his remuneration as above specified and Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these presents and may pay the same.

108. The Board of Directors may allow and pay to any Director, who is not a resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending a meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses, in addition to his fee, if any, for attending such meeting as above specified, and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be reimbursed all travelling and other expenses incurred in connection with the business in connection with the business of the Company.
- Travelling expenses incurred by Director
109. The continuing Director(s) may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the continuing Director(s) may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for the summoning a General Meeting, but for not other purpose.
- Directors may act notwithstanding vacancy
110. The office of a Director shall become vacant, if -
- When office of Director to be vacated
- (a) he is found to be of unsound mind by a court of competent jurisdiction;
 - (b) he applies to be adjudicated as an insolvent;
 - (c) he is adjudged as an insolvent;
 - (d) he fails to pay any call made on him in respect of shares of the Company held by him whether alone or jointly with others, within six months from the last date fixed for the payment of the call, unless the Central Government has, by notification in the Official Gazette, removed the disqualification incurred by such failure;
 - (e) he absents himself from three consecutive meeting of the Board or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board;
 - (f) he becomes disqualified by an order of Court on account of such person (i) having been convicted of any offence in connection with the promotion, formation or management of a company, (ii) in the course of winding up of a company it appears that such person (I) has been guilty of any offence on account of his having conducted the business of the company fraudulently, (II) has been otherwise while an officer of this company of any fraud or misfeasance in relation to this company or of any breach of his duty to the company;

- (g) he is removed by an Ordinary Resolution before the expiry of his period of office;
- (h) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of relative provisions of the Act;
- (i) fails to disclose his interest as required by the Act.
- (j) 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
- (k) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.

Directors may contract with the company

111. (1) A Director or his relative, a firm in which such Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or director may, to the extent and subject to the restrictions and prohibitions provided in the Act, enter into any contract with the Company for the sale, purchase or supply of goods, materials or services or for underwriting the subscription of any shares in, or debenture of the Company if the sanction of the Board is obtained before or within three months of the date on which the contract is entered into.

(2) No sanction, however, shall be necessary for;

- (a) any purchase of goods and materials from the Company, or the sale of goods or materials to the Company, by any such Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices, or
- (b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private company, as the case may be, regularly trades or does business.

Provided that such contract or contracts do not relate to goods and materials the value of which, or services the cost of which exceeds five thousand rupees in the aggregate in any year comprised in the period of the a contract or contracts.

- (3) Every consent of the Board required under clause (1) of this Article shall be accorded by a resolution passed at a meeting of the Board and not otherwise, and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.
- (4) If the consent is not accorded to any contract under this Article, anything done in pursuance of the contract shall be voidable at the option of the Board.

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

Disclosure of interest

- (2) (a) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under clause (1) 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 that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested;
 - (b) In the case of any other contract or 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 arrangement.
- (3) (a) A general notice given to the Board 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, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made.

- (b) Any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for 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 otherwise expire.
- (c) No such general notice, and no renewal thereof, shall be of effect unless, either it is given at a meeting of the Board, or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Interested Director not to participate or vote in Board's proceedings

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

- (a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
- (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which is the interest of the Directors consists solely -

(i) in his being

(a) a director of such company and

(b) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a director thereof, he having been nominated as such director by the Company, or

(ii) in his being a member holding not more than 2 per cent of its paid-up share capital.

114. The Company shall keep one or more registers in accordance with the provisions, if any, of the Act, and shall within the time specified therein, enter in such register(s) separately the particulars of all contracts or arrangements as may be required by the Act.

Register of contracts in which Directors are interest

115. Subject to the provisions of the Act and any other law for the time being in force, a Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholders of such other company.

Directors may be directors of companies promoted by the company

PROCEEDINGS OF THE BOARD OF DIRECTORS

116. The Directors shall elect one of their number to be the Chairman of the Board, who shall preside over all the meetings of the Board and the committee, if he is a member thereof.

Chairman

117. The Directors may meet together as a Board for the despatch of business, 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 otherwise regulate their meetings as they think fit. It shall be sufficient that the Directors are in continuous interaction with each other for discussions of the agenda of a meeting of the Board or Committee thereof and for this purpose any form of audio and video conferencing facilities may be utilised.

Meeting of Directors

118. A meeting of the Board of Directors may be convened by giving a notice in writing. Every such notice shall be given in writing to every Director, for the time being in India, and at his usual address in India to every other Director.

Notice of Meetings

119. The quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time) or two Directors whichever is higher; any fraction in that one-third being rounded off as one.

Quorum

Provided, however, that where, at any time the number of interested Directors at any meeting exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors (i.e. the number of Directors who are not interested), present at the meeting, being not less than two shall be the quorum during such time.

120. If a meeting of the Board cannot be held for want of quorum, then the meeting shall stand adjourned to such other day, time and place as the Director or Directors present at the meeting may fix.

Adjournment of meeting for want of quorum

- Chairman of the Meeting 121. If, at any meeting of the Board the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present shall elect one of their number to be Chairman of such meeting.
- Questions at Board meeting how decided 122. Questions arising at any meeting of the Board or committee, shall be decided by a majority of votes, and in the case of an equality of votes, the Chairman shall have a second or casting vote.
- Power to be exercised at meeting 123. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles or the Regulations of the Company are, for the time being, vested in or exercisable by the Board generally.
- Directors may appoint Committees 124. (1) The Board may (subject to the provisions of the Act and these Articles), delegate any of its powers to such committee of the Board consisting of such member(s) of the Board as it thinks fit.
- (2) The Board may, from time to time, dissolve or discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board to be formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time, be imposed on it by the Board.
- (3) All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise shall have the like effect as if done by the Board.
- Quorum for committee meeting 125. The quorum for a meeting of such a committee shall be two.
- Meeting of committee how governed 126. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto, and are not superseded by any regulations made by the Directors under the last preceding article.
- Resolution by circulation 127. No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the committee, then in India, (not being less in number than the quorum fixed for a meeting of the Board or committee, as the case may be), and to all other Directors or members of the committee at their usual address in India and has been approved by such of the Directors or members of the committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.
- Acts of Board or committees valid notwithstanding defect in appointment 128. All acts done by any meeting of the Board or by a committee of the Board, or by any person as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid or that they or any of them were disqualified or that the appointment of any of them be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.

Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

129. (1) The Company shall cause minutes of all proceedings of every meeting of the Board and of every committee of the Board to be kept by making within thirty days of the conclusion of every such meeting in books kept for that purpose with their pages consecutively numbered. Explanation: For the purpose of this Article, "book" includes a binder containing loose leaves or any other record in any media including electronic media as may be permitted by law from time to time.
- (2) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each book shall be dated and signed by the chairman of that meeting of the Board or of the committee, as the case may be, or the chairman of the next succeeding meeting of the Board or the committee, as the case may be.
- (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (6) The minutes shall also contain details of:
- (a) the names of the Directors and other members of the Committee present at the meeting;
 - (b) all orders made by the Board and committee of the Board;
 - (c) all resolutions and proceedings of meetings of the Board; and
 - (d) in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from, or not concurring with, the resolution.
- (7) Nothing contained in clauses (1) to (6) shall be deemed to require the inclusion in such minutes of any matter which, in the opinion of the Chairman of the meeting:-
- (a) is, or could reasonably be regarded as, defamatory to any person;

Minutes of
proceedings of
meetings of the board

:40:

- (b) is irrelevant or immaterial to the proceedings; or
 - (c) is detrimental to the interests of the Company.
- (8) The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.
- (9) Minutes kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

POWERS OF DIRECTORS

Power of Directors

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

Provided that the Board shall not, except with the consent of the Company in General Meeting :

- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking;
- (b) remit, or give time for the repayment of any debt due by a Director;
- (c) invests, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition, of any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
- (d) borrow moneys where the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers

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

- (e) contribute to charitable and others funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees, or five percent of its average net profits as determined in accordance with the provisions of the Act during the three financial years immediately preceding, whichever is greater.

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

Certain powers of the Board

- (a) to pay the costs, charges and expenses preliminary and incidental to the incorporation, promotion, establishment and registration of the Company ;

To pay costs of incorporation

- (b) 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 or consideration and generally on such terms and conditions as they may think fit, and in any such purchase or other acquisition accept such title as the Directors may believe or may be advised to be reasonably satisfactory ;

To acquire any property rights, etc.

- (c) to pay and charge to the capital account of the Company any commission or interest payable thereat under the provisions of the Act ;

To pay commission or interest lawfully payable

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

To pay for property

- To secure contracts by mortgage
- (e) to secure the fulfillment of any contract or engagement entered into by the Company by mortgage or charge of all or any of the properties of the Company and its uncalled capital for the time being or in such manner as the Directors may think fit ;
- To accept surrender of shares
- (f) to accept from any member, so far as may be permissible by law, a surrender of his shares of any part thereof, on such terms and conditions as shall be agreed upon ;
- To appoint Trustees for the Company
- (g) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees;
- To conduct legal proceedings
- (h) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or its other employees or otherwise concerning the affairs of the Company, and also to compound and allow time for payment on satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and to observe and perform any awards made thereon;
- To give guarantees and indemnities
- (i) subject to the provisions of the Act, to give in the name and on behalf of the Company such indemnities and guarantees as may be necessary;
- All matters relating to insolvents
- (j) to act on behalf of the Company in all matters relation to bankrupts and insolvents;
- To issue receipt and to give discharge
- (k) to make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company;
- To invest money of the company
- (l) subject to the provisions of the Act, to invest and deal with any moneys of the Company upon such security (not being shares of this Company), or without security and in such manner as they may think fit and, from time to time, vary or realise such investments. Save as provided in the Act, all investments shall be made and held in the Company's own name;
- To give security by way of indemnity
- (m) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale and such other powers, provisions covenants and agreements as shall be agreed upon ;

- (n) 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, instruments and documents, and general correspondence, and to give the necessary authority for such purpose;
- To determine signing powers
- (o) to provide for the Welfare of Directors or ex-Directors or employees or ex-employees of the Company and other persons who are or were working for the Company deputed or seconded by any other organisation and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings, or by grants of money, pensions, gratuities, bonus, allowances or other payments; or by creating and from time to time subscribing or contributing to provident fund, including acceptance of transfer of money or from any other provident fund and any superannuation fund for being credited to the relevant fund or an Employee Welfare fund created by the Company and to other associations, institutions, funds or trusts including any research and development organisations, training schools, by providing or subscribing or contributing towards research and development centres and places of instructions and recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Directors shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, educational, cultural, social and other institutions for objects which shall have any moral or other claims to support or aid by the Company, either by reason of locality of operation or of public and general utility or otherwise;
- To provide for provident fund, gratuity, etc., to employees
- (p) (i) before recommending any dividend, to set aside, out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund, or to an insurance fund, or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debentures stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the properties of the Company, and for such other purposes (including the purposes referred to in the preceding clause) as the Directors may, in their absolute discretion, think as being conducive to the interests of the Company; and subject to provisions of the Act, to invest the several sums so set aside or so much thereof as requires to be invested, upon such investments (other than shares of this Company) as they may think fit, and from time to time to deal with and vary 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 in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same,
- To provide for reserve funds, etc.

or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and

(ii) to divide any reserve fund into such special funds as the Directors may think fit, with full power to transfer the whole or any portion of such reserve fund or division or such reserve fund to any other fund and with full power to employ the assets constitution all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of debentures or debenture stock, and without that without being bound to keep the same separate from the other assets, and being bound to pay interest on the same, with power however to the Directors at their direction to pay or allow to the credit of such funds interest at such rate as the Directors may think proper;

To distribute among the staff the profits of Company

(q) to distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any director, officer or other person employed by or working for the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;

To appoint and remove officers and other employees

(r) to appoint, and at their discretion, remove, or suspend any officer or employee, as they may, from time to time, think fit, and to determine their powers and duties, and to fix their salaries, or emoluments, and to require security in such instances and for such amounts as the Board may think fit;

To effect contracts, etc.

(s) to effect, make and enter into, on behalf of the Company, all transactions, agreements and other contracts within the scope of the business of the Company;

To arrange for management of offices

(t) from time to time, and at any time, to make such arrangements as the Directors may consider appropriate for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person/s to be in charge of such offices;

Delegation of powers

(u) subject to the provisions of the Act, from time to time, and at any time to appoint any person and to delegate to any person so appointed, any of the powers, authorities and discretions for the time being vested in the Directors; and to authorise any person to fill any vacancies therein and to act notwithstanding vacancies; and such appointment or delegation may be made on such terms, and subject to such

conditions as the Directors may think fit at any time and the Directors may remove any person so appointed, and may annul or vary any such delegation;

- (v) at any time, and from time to time, by powers 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 discretions (not exceeding those vested in or exercisable by the Directors under these presents) and subject to the provisions of the Act and for such period and subject to such conditions as the Directors may, from time to time, think fit and any such appointment may (if the Directors think fit) be made in favour of any person or in favour of any company, or the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the directors and any such power of attorney may contain powers for the protection or convenience of persons dealing with such attorneys as the Directors may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;

To appoint Attorneys

- (w) subject to the provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

To enter into contracts

- (x) to purchase or otherwise acquire or obtain licence for the use of, and to sell, exchange or grant licence for the use of any trade mark, patent, invention or technical knowhow;

- (y) to undertake on behalf of the Company any payment of all rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or purchase the reversion or reversions, and otherwise to acquire the fee simple of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate;

- (z) to improve, manage, develop, exchange, lease, sell, re-sell and re-purchase, dispose of, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company has or may have interest;

- (za) to let, sell or otherwise dispose of subject to the provisions of the Act any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and accept payments of satisfaction for the same in cash or otherwise as they think fit; and
- (zb) from time to time to make, vary and repeal any bye-laws, regulations and other rules, guidelines or instructions for regulation the business of the Company, its official the employees and other persons having dealings with the Company.

MANAGING DIRECTOR / WHOLE TIME DIRECTOR

Appointment of
Managing Director and/
or Whole-time
Director(s) by the
Board

- (1) The board may, from time to time, appoint one or more of their number to be Managing Director or Whole-time Director of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company from time to time (subject to the provisions of any contract between him or them and the Company) and may remove or dismiss him or them from office and appoint another or others in his place or places.
- (2) A Managing Director or a Whole-time Director shall receive such remuneration (Whether by way of salary, perquisites, commission or participation in profits, or otherwise or partly in one way and partly in another) as the Directors may, subject to the provisions of the Act, or any other law applicable for the time being in force in that behalf determine
- (3) Subject to the provisions of the Act the Board of Directors may entrust to and confer upon a Managing Director or Whole-time Director any of the powers exercisable by the Board upon such terms and conditions and with such restrictions as the Board may think fit and either collaterally with or to the exclusion of powers of the Board, and may, from time to time, revoke, withdraw, alter or vary any of such powers.

Restrictions on powers of
Managing Director /s,
whole-time Directors

133. The Managing Director(s) or Whole-time Director (s) shall not exercise the power to:
- (a) make calls on shareholders in respect of money unpaid their shares in the Company,

- (b) issue debenture, and except to the extent mentioned in the resolution passed at the Board Meeting under the provisions of the Act
- (c) borrow moneys,
- (d) invest the funds of the Company, and
- (e) make loans

134.(1) The Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing or Whole-time Director who

Certain persons not to be appointed Managing Director or whole-time Director

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

(2) If the Managing or Whole-time Director ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director or Whole-time Director, as the case may be, of the Company.

135. Notwithstanding anything herein contained, the rights vested with the Promoters under these Articles, shall be subject to Mutual Fund Regulations.

Promoter's rights subject to Mutual Fund Regulations

MANAGER

136 (1) Subject to the provisions of the Act, if a Managing Director has not been appointed as provided for in the Articles, the Board may appoint a Manager for such term and on such remuneration and upon such conditions as it may deem fit; and any Manager so appointed may be removed by the Board.

Manager

(2) The Manager shall exercise such power or powers and for such period or periods and upon such conditions and subject to such restrictions as the Board may determine.

THE SEAL

The Seal, its custody and use

137. (1) The Board shall provide a Common Seal for the purposes of the Company, and shall have, from time to time, power to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being.

(2) The Company shall also have liberty to have an official seal to use in any territory, district or place outside India.

Seal to be affixed with the authority of the Board

138. The Seal shall not be affixed to any instrument except by the authority of the Board of Directors or a committee of the Board previously given and in the presence of at least one Director and the Secretary or any other person duly authorised by the Board, both of whom shall sign every instrument to which the Seal is affixed. Provided further that the certificates of shares or debentures shall be sealed in the manner and in conformity with the provisions of the rules prescribed in this behalf from time to time.

Provided nevertheless that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority by the Board to issue the same.

DIVIDENDS

Division of profits

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

The Company in General Meeting may declare a dividend

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

Dividends only to be paid out of Profits

141. No dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act, or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both; Provided that

- (a) if the Company has not provided for depreciation for any previous financial year or years, it shall, before declaring or paying any dividend for any financial year provide for such depreciation out of the profits of that financial year or out of the profits of any other previous financial year or years;
- (b) if the Company has incurred any loss in any previous financial year or years, the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of the Act or against both.

142. The Board may, from time to time, pay to the Members such interim dividend as in its judgement the position of the Company justifies.

Interim dividend

143. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

Capital paid up in advance at interest not to earn dividend

144. The Company shall pay dividends in proportion to the amount paid-up or credited as paid-up on each share, where a larger amount is paid up or credited as paid-up on some shares than on others.

Dividends to be in proportion to amount paid-up

145. The Board may retain the dividends payable upon shares in respect of which any person has become entitled to be a Member under Article 57 or any person under that Article is entitled to transfer until such person becomes a Member in respect of such shares or shall duly transfer the same.

Retention of dividends until completion of transfer

146. Any one of the several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividend and bonus or other monies payable in respect of such share.

Dividend etc. to jointholder

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

No Member to receive dividend while indebted to the Company and Company's right of reimbursement thereof

Dividends how remitted

148. (1) Unless otherwise directed, any dividend may be paid by cheque or warrant payable only in India, or by a payslip or receipt having the force of a cheque or warrant or any other modes of remittance viz. ECS and Mandate, sent through the post to the registered address of the member or person entitled, or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint holding.

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

(3) The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the members or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature on any payslip or receipt or the fraudulent recovery of the dividend by any other means.

Dividend to be paid within forty-two-days

149. (1) The Company shall pay the dividend or sent the warrant in respect thereof to the Member entitled to the payment of Dividend within forty two days from the date of the declaration unless.

(a) where the dividend could not be paid by reason of the operation of any law;

(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with;

(c) where there is a dispute regarding the right to receive the dividend;

(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder; or

(e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

Unclaimed dividend not to be forfeited

150. No unclaimed dividend shall be forfeited by the Board.

Dividend and call together

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

152. Except as otherwise provided by law, no unpaid dividend shall bear interest as against the Company.

No interest on dividends

153. No dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by Members of the Company.

Dividends in cash

CAPITALISATION

154.(1) The Company in General meeting may, upon the recommendation of the Board, resolve-

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

(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) either in or towards-

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

(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 regulation, 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 regulation.

(5) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

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

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

(6) 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 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.

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

ACCOUNTS

Directors to keep true accounts

155. (1) The Company shall keep at the Office or at such other place in India as the Board thinks fit, proper books of account in accordance with the relevant provisions of the Act with respect to such matters as may be required.

(2) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year together with the vouchers relevant to entries in such books of account.

(3) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at the Office or the other place in India, at which the Company's books of account are kept.

156. The Board shall, from time to time, in accordance with the provisions of the Act, cause to be prepared and to be laid the Annual General Meeting a Profit and Loss Account and a Balance Sheet, containing a summary of the property and assets and of the capital and liabilities of the Company, made up to a date not earlier than the date of the Meeting by more than six months or such extended period as may be permitted under the Act.

Profit and Loss
Account and Balance
Sheet

157. The Profit and Loss Account of the Company shall give a true and fair view of the profit or loss of the Company for the financial year and shall comply with the requirements of the Act, so far as they are applicable thereto.

Profit and loss Account

158. (1) Every Balance Sheet laid before the Company in Annual General Meeting shall be accompanied by a Report of the Board of Directors as to the state of the Company's affairs and as to the amounts, if any, which it proposes to carry to any reserves in such Balance Sheet and the amount if any, which it recommends should be paid by way of dividend, material changes and commitments, if any, affecting the financial position of the Company between the end of the financial year to which the Balance Sheet relates and the date of the Report.

Board's Report

(2) The Board's Report shall, so far as is material for the appreciation of the state of the Company's affairs by its members and which will not in the Board's opinion be harmful to the business of the Company, deal with any changes which have occurred during the Financial Year in the nature of the Company's business and generally in the classes of business in which the Company has an interest.

(3) The Board's Report shall also give the fullest information and explanations in its Report aforesaid, or in an addendum to that report on every reservation, qualification or adverse remark contained in the Auditor's Report.

(4) The Board's Report and any addendum thereto shall be signed by not less than two Directors or by the Chairman of the Board of Director if authorised in that behalf by the Board.

(5) The Board shall have the right to charge any person not being a Directors with the duty of seeing that the provisions of clauses(1) to (3) of this Article are complied with.

159. (1) The profit and loss Account and Balance Sheet shall be signed on behalf of the Board of Directors by the Manager or Secretary if any, and by not less than two Directors, one of which shall be a Managing Director where there is one provided that if there is only one Director present in India at the time the Profit and Loss Account and Balance Sheet shall be signed by such Director but in such a case there shall be attached to Profit and Loss Account and Balance Sheet a statement signed by such Director explaining the reason for noncompliance with the aforesaid provision requiring the signatures of two Directors.

Balance Sheet

- (2) The Profit and Loss Account and Balance Sheet shall be audited by the Auditor and the Auditor's Report (including the Auditors's separate, special or supplementary report, if any shall be attached thereto, and such Report shall be read before the Company in General Meeting and shall be open to inspection by any Member.

Accounts, etc., shall be sent to each member

160. A copy of every such Profit and Loss Account and Balance Sheet, so audited, (including the Auditor's Report and every other document required by law to be annexed or attached, as the case may be, to the Balance Sheet) shall at least twenty-one days before the meeting at which the same are to be laid before the Members, be sent :

- (a) to the members of the Company, and
- (b) to trustees for the holders of such debentures; and
- (c) to all persons entitled to receive notices of General Meeting of the Company.

AUDIT

Accounts to be audited

161. Once at least in every year the accounts of the Company shall be examined, and the correctness of the Profit and Loss Account and Balance Sheet ascertained by Auditor or Auditors.

Auditors

162. Auditors of the Company shall be appointed in accordance with the provisions of the Act.

Company's books, etc. shall always be open to Auditors

163.(1) Every Auditor or Auditors of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company, whether kept at the Head office of the Company or elsewhere, and shall be entitled to require from the officers of the Company such information and explanations as the Auditor or Auditors may think necessary for the performance of his or their duties as Auditor or Auditors.

- (2) The Auditor or Auditors shall make a report to the Members of the Company on the accounts examined by him or them and on every Balance Sheet and Profit and Loss Account and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the Company in General Meeting during his or their tenure of office, and report shall state, whether, in his or their opinion and to the best of his or their information and according to the explanations given to him or them, the said accounts give the information required by the Act in the manner so required and give a true and fair view :-

- (a) in the case of the Balance Sheet, of the state of the Company's affairs as at the end of its Financial Year; and
 - (b) in the case of the Profit and Loss Account, of the profit or loss for its Financial Year.
- (3) The report of the Auditor or Auditors shall also state-
- (a) whether he has or they have obtained all the information and explanations which to the best of his or their knowledge and belief were necessary for the purpose of the audit;
 - (b) whether, in his or their opinion, proper books of account as required by law have been kept by the Company so far as appears from his or their examination of those books, and proper returns adequate for the purpose of his or their audit have been received from branches not visited by him or them;
 - (c) whether the report on the accounts of any branch office audited in accordance with the provisions in that regard contained in the Act, by a person other than the Company's auditor has been forwarded to him or them and how he has or they have dealt with the same in preparing the Auditor's Report; and
 - (d) whether the Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of account and returns.
- (4) Where in respect of any of the matters referred to above, the answer of the Auditor or Auditors is in the negative or with a qualification, the Report of the Auditor or Auditors shall state the reason for the answer.
- (5) The accounts of the Company shall not be deemed as not having been, and the auditor's report shall not state that those accounts have not been properly drawn up on the ground merely that the Company has not disclosed certain matters if-
- (a) those matters are such as the Company is not required to disclose by virtue of any provisions contained in this Act or any other law, and
 - (b) those provisions are specified in the Balance Sheet and Profit and Loss Account of the Company.

(6) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any Member of the Company.

Auditors to receive notice of certain Meeting

164. All notices of, and other communications relating to any General Meeting which any Member is entitled to have sent to him, shall also be forwarded to the Auditor or Auditors of the Company; and the Auditor or Auditors shall be entitled to attend any general Meeting which he or they attend on any part of the business which concerns him or them as Auditor or Auditors.

Inspection of books of accounts and other books and documents etc. of the Company by HDFC

165. The Books of Accounts and other books and documents statutorily required to be maintained by the Company shall be open to inspection by the authorised representatives of HDFC Limited at any time during business hours.

DOCUMENTS AND NOTICES

Service of documents or notices on members by Company

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

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

By advertisement

167. A document or notice advertised in a newspaper circulating in the neighborhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears, on every member who has no registered address in India or has supplied to the Company an address within India for the document or the sending of notices to him.

Service on joint-holders

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

169. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of death, insolvency or winding up of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representative of deceased, official assignee, receiver or liquidator of the Member in insolvency or winding-up or by any like description, at the address, if any, in India supplied for the purpose by the persons by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death, insolvency or winding-up had not occurred.
170. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore authorised on or to every Member and to the Auditor or Auditors for the time being of the Company: and shall be served in the manner provided in Article 165 on every person entitled to a share in consequence of the death, insolvency or winding up of a Member.
171. Every person who, by operation of law, transfer or other means whatsoever shall become entitled to any share, shall be bound by every document or notice in respect of such share, which, previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such share.
172. Any document or notice to be served or given by the Company may be signed by any Director, secretary or some person duly authorised by the Board of Directors for such purpose and the signature may be written, printed or lithographed.
173. All documents or notices to be served or given by Members on or to the Company or any officer thereof shall be served or given by sending the same to the Company or officer at the Registered Office by post under a certificate of posting or by registered post or by leaving the same at its Registered Office.

Service on official Receiver, liquidators etc.

To Whom documents or notices must be served or given

Members bound by documents or notices served on or given to previous holders

Documents or notice by Company and Signature thereto

Service of document or notice by Member

WINDING - UP

174. The Liquidator on the winding-up (whether voluntary subject to supervision or compulsory) may with the sanction of a Special Resolution divide among the contributories in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories as the Liquidator with the like sanction shall think fit.

Winding-up Liquidator may divided assets in specie

INDEMNITY AND RESPONSIBILITY

Indemnity and responsibility of Directors, etc.

175. (1) Save and except so far as the provisions of this Article shall be avoided by the Act the Board of Directors, Managing Director Managers, Directors, Secretary and other officers or other employees officers for the time being of the Company Auditor and the trustees if any for the time being in relation to any of the affairs of the Company and every one of them and everyone of their heirs executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges losses, damages and expenses which they or any of them, their or any of their executors or administrators shall or may incur or sustain by or reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty in their respective offices or trust, except such, if any, as they shall incur or sustain through or by their own wilful neglect or default respectively.
- (2) None of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipt for the sake of conformity, or for any bankers or other person with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out or invested or for any other loss misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto, except the same shall happen by or through their own willful neglect or default respectively.

SECRECY

Members shall not be entitled to discovery, information etc.

176. No member shall be entitled to require discovery of or any information respecting any detail of the Company's business, or any 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.

Declaration of fidelity and secrecy

177. Every Director Officer and other employee of the Company shall before entering upon his duties sign a declaration in the form set out hereunder or such other form as the Directors may from time to time direct.

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

1	2	3	4
Sr. No.	Name, address, description and occupation of each Subscriber	Signature of Subscriber	Signature, name, address, description and occupation of witness to the signature of the Subscriber
1.	Satish G Mehta 39/4, Walchand Terraces Opp. A/C Market, Tardeo Mumbai - 400 034 S/o : Late Mr. Gordhan Tulsidas Mehta Age : 46 yrs Company Executive	Sd/-	Sd/- S Swaminathan S/o K S Narayan II A/22, Mahindra Park, L B S Marg Ghatkopar, Mumbai -- 400 086 Service
2.	K G Krishnamurthy Plot No. 777 Anupam, 1 st Floor Tilak Road, Dadar (E) Mumbai - 400 014 S/o : Mr. K N Gopalratnam Age : 44 yrs Company Executive	Sd/-	
3.	Conrad D'Souza 17/23, MHB Colony Bandra Reclamation Bandra (W) Mumbai - 400 050 S/o : Mr. D C A D'Souza Age : 40 yrs Company Executive	Sd/-	

Place : Mumbai

Dated : 10/03/2000

Sr. No.	Name, address, description and occupation of each Subscriber	Signature of Subscriber	Signature, name, address, description and occupation of witness to the signature of the Subscriber
4.	Susir Kumar M. 201, Oceanic I, Juhu Versova Link Road 7, Bungalow, Andheri (W) Mumbai - 400 058 Age : 34 yrs S/o : Late K S Rao Company Executive	Sd/-	Witness to all Sd/- S Swaminathan S/o: K S Narayan IIA/22, Mahindra Park Ghatkopar, Mumbai - 400 086 Service
5.	Ulhas N Yargop S-11 Pemino 1-B Altamount Road Mumbai - 400 026 S/o : Late Mr. N V Yargop Company Executive	Sd/-	
6.	Vishnu K Garg B-32, Mangireesh L J Road Mahim Mumbai - 400 016 S/o : Late Mr. C L Garg Company Executive	Sd/-	
7.	Arun Kumar Nanda St. Helen's Court G Deshmukh Marg Mumbai - 400 026 S/o : Mr. Tilak Raj Nanda Age : 51 yrs Company Executive	Sd/-	

Place : Mumbai

Dated : 10/03/2000