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**MEMORANDUM**

**AND**

**ARTICLE OF ASSOCIATION**

**OF**

**INDIABULLS ESTATE LIMITED**

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प्रारूप एक

**Form 1**

निगमन का प्रमाण पत्र

# Certificate of Incorporation

U45201DL2005PTC139676

1927

सं०..... 1926 .....

U45201DL2005PTC139676

No. .... 2005 - 2006 .....

इण्डियानुल्स एस्टेट प्राइवेट लिमिटेड ।

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज.....

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

I hereby certify that **INDIABULLS ESTATE PRIVATE LIMITED**

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

मेरे हस्ताक्षर से आज ता० 25 अक्टूबर, 1927 को दिया गया ।

Given under my hand at..... **NEW DELHI**..... this **SIXTEENTH**

day of **AUGUST** **TWO THOUSAND** **AND FIVE**



सहायक  
Asst.

(ई. तिखी)

**कम्पनी रजिस्ट्रार**  
**Registrar of Companies**  
रा. रा. क्षेत्र दिल्ली एवं हरियाणा  
N.C.T. OF DELHI & HARYANA

COMPANY NO. 55-139676 CIN U45201DL2005PTC139676

FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT UPON CHANGE OF NAME ON  
CONVERSION TO PUBLIC LIMITED COMPANY

In the office of the Registrar of Companies, NCT of Delhi & Haryana

[ under the Companies Act, 1956 (1 of 1956) ]

IN THE MATTER OF M/s INDIABULLS ESTATE PRIVATE LIMITED

I hereby certify that INDIABULLS ESTATE PRIVATE LIMITED

which was originally incorporated on

Sixteenth August Two Thousand and Five

under the Companies Act, 1913 (Act VII of 1913) / Companies Act, 1956 (Act 1 of 1956)

under the name INDIABULLS ESTATE PRIVATE LIMITED

having duly passed the necessary Special Resolution on 26/10/2005

in terms of section 31/21 read with section 44 of the Companies Act, 1956,

the name of the said company is this day changed to

INDIABULLS ESTATE LIMITED

and this Certificate is issued pursuant to Section 23(1) of the said Act

Given under my hand at New Delhi this

Twenty Forth November Two Thousand and Five

*Navrang Saini*  
(Dr. Navrang Saini)  
REGISTRAR OF COMPANIES,  
N.C.T. OF DELHI AND HARYANA





(THE COMPANIES ACT, 2013)  
(COMPANY LIMITED BY SHARES)  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**INDIABULLS ESTATE LIMITED**

- I. The name of the company is INDIABULLS ESTATE LIMITED
- II. The registered office of the company will be situated in the National Capital Territory of Delhi.
- III.(a) **THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**
1. To acquire, by purchase, lease, exchange or otherwise land or other movable or immovable property of any description in India or abroad or any rights over or connected with land or such property and to construct, develop, build, reconstruct, alter, improve, decorate furnish and maintain, townships, housing & commercial premises, hotels, resorts, hospitals, educational institutions, recreational facilities, infrastructure, markets, offices, flats, apartments etc with all amenities, conveniences and facilities and to manage, hold, sell, lease and deal with the same in any manner whatsoever.
  2. To layout, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model, improve, grades, curves, pave, cement, maintain or do any other work in connection with any building or building scheme, structures, houses, apartments, places of worship, paths, streets, sideways, courts, alleys, pavements, roads, highway, docks, sewers, bridges, canal, wells, springs, dams, power plants, boors, wharves, ports, reservoirs, embankments, tramway, railways, irrigations, reclamations, improvements, sanitary, water, gas or any other structural or architectural work of any kind whatsoever and for such purpose, to prepare estimates, designs, plans, specification or models.
  3. To carry on the business of Builders, General and Government Contractor and Engineers (mechanical, electrical, canal, civil, irrigation) and in all other branches of Engineering.
  4. To enter into joint venture, foreign collaboration as per permissible government guidelines.
  5. To act as advisors / consultants for above mentioned business and its related/allied fields of activities.

*Note: New set of Memorandum of Association (MOA) has been adopted, vide special resolution passed at the Extra-ordinary General Meeting of the members of the Company held on 24.02.2016.*

**(b) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (a) ARE:**

1. To buy all kinds of plant, equipment, machinery, apparatus, tools, utensils, commodities, substances, articles and things necessary or useful for carrying on the main business of the Company.
2. To enter into agreements with any company or persons for obtaining by grant of license or on such other terms of all types, formulae and such other rights and benefits, technical information, know-how and expert guidance and equipment and machinery for the production and manufacturing in India of the articles and things mentioned herein above and to arrange facilities for training of technical personnel by them.
3. To establish, provide, maintain and conduct or otherwise, subsidize research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on with all scientific and technical research, experiments and tests of all kinds and to promote studies and research both scientific and technical investigation and invention by providing, subsidizing, endowing or assisting laboratories, workshop, libraries, lectures, meetings and conferences and by providing the remuneration to scientific and technical professors and teachers and to award, scholarships, prizes, grants and bursaries to students and to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist the main business of the Company.
4. To acquire by concession, grant, purchase, License or otherwise either absolutely or conditionally and either alone or jointly with others land, buildings, machinery, plant, utensils, works, conveniences land such other movable and immovable properties of any description and any patents, trademarks, concessions, privileges, brevets invention, licensees, protections and concessions conferring any exclusive or limited rights to any inventions, information which may seem necessary for any of the objects of the Company and to construct, maintain and alter any building or work, necessary or convenient for the business of the Company and to pay for such land, buildings, works, property or rights or any such other property and rights purchased or acquired by or for the Company by shares, debentures, debenture stock, bonds or such other securities of the Company or other wise and manage, develop, let on lease or for hire or otherwise dispose of or turn to account the same at such time or times and in such manner and for such consideration as may be deemed proper or expedient to attain the main objects of the Company.
5. Subject to section 391 to 394 of the Act, to amalgamate with any other Company having objects altogether or in part similar to those of this Company.
6. To enter into any arrangement with any government or Authorities, Municipal, local or otherwise or any person or company in India or abroad, that may seem conducive to the objects of the company or any of them and to obtain from any such

Government, Authority persons or company any rights, privileges, charters, contracts, licenses and concessions including in particular rights in respect of waterways, roads and highways, which the Company may carry out, exercise and comply therewith.

7. To apply for and obtain any order of Central/State or such other Authority for enabling the Company to carry on any of its objects into effect or for effecting any modifications of the Company's constitution or any other such purpose, which may seem expedient and to make representations against any proceedings or applications which may seem calculated directly or indirectly to prejudice the company's interests.
8. To enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint-venture, reciprocal concessions or otherwise with any person, firm or Company carrying on or engaged in any business or transaction which this Company is authorized to carry on and subject to sections 391 of the Companies Act, 1956 & relevant provisions of Companies Act, 2013 to the extent applicable, to amalgamate with any other such Company, having main objects altogether or in part similar to those of the Company.
9. To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities of any company, firms or person carrying on business which this Company is authorized to carry on or is possessed of rights suitable for the main objects of this Company.
10. To do all or any of the above things as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others and to do all such other things as are incidental or as may be conducive to the attainment of the main objects or any of them.
11. To promote, form and register, aid in the promotion, formation and registration of any company or companies, subsidiary or otherwise for the purpose of acquiring all or any of the properties, rights and liabilities of this company and to transfer to any such company any property of this company and to be interested in or take or otherwise acquire, hold, sell or otherwise dispose of shares, stock, debentures and such other securities of all types in or of any such company, subsidiary or otherwise for all or any of the objects mentioned in this Memorandum of Association and to assist any such Company and to undertake the management and secretarial or such other work, duties and business on such terms as may be arranged.
12. To open accounts with any bank or financial institution and to draw make, accept, endorse, discount, execute and issue promissory notes bills of exchange, hundies, bills of lading, warrants, debentures and such other negotiable or transferable instruments of all types and to by the same.
13. Subject to sections 73, 74 & 76 and 179 and any other applicable provisions of the Companies Act, 2013, if any, and the Regulations made therein and the directions issued by reserve Bank of India to borrow, raise or secure the payment of money or

to received money as loan, at interest for any of the objects of the company and at such time or times as may be expedient, by promissory notes bills of exchange, hundies, bills of lading, warrants or such other negotiable instruments of all types or by taking credit in or opening current accounts or over-draft accounts with any person, firm bank or company and whether with or without any security or by such other means, as may deem expedient and in particular by the issue of debentures or debenture stock, perpetual or otherwise and in security for any such money so borrowed, raised or received and of any such debentures or debenture stock so issued, to mortgage, pledge or charge the whole or any part of the property and assets of the Company both present and future, including its uncalled capital, by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off such securities provided that the Company shall not carry on the business of banking within the meaning of the Banking Regulation Act, 1949.

14. To invest in other than investment in company's own shares and deal with moneys of the Company not immediately required, in such shares or upon such securities or investments and in such manner as may from time to time, be determined.
15. To lend and advance money not immediately required by the Company or give credit to such persons, firms or companies and on such terms with or without security as may seem expedient and in particular to customers of and such others having dealings with the Company and to give guarantees or securities of any such persons, firms or companies as may appear proper or reasonable provided that the Company shall not carry on the business of banking, with the meaning of banking Regulation Act, 1949.
16. To improve, alter, manage, develop, exchange, mortgage, enfranchise and dispose of, any part of the land, properties, assets and rights and the resources and undertakings of the Company, in such manner and on such terms as the Company may determine.
17. To remunerate any person or company, for services rendered or to be rendered in or about the formation or promotion of the Company or the conduct of its business.
18. To create any depreciation fund, reserve fund, sinking fund, provident fund, superannuation fund or any special or other such fund, whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redeemable preference shares, workers' welfare or for any other such purpose conducive to the interest of the Company.
19. To provide for the welfare of employees or ex-employees (including directors and other officers) of the Company and the wives and families or the dependents or connections of such persons, by building or contributing to the building of houses, or dwellings or crawls or by grants of money, pensions, allowances, bonus or other such payments or by creating and from time to time, subscribing or contributing to provident fund and other associations, institutions, funds or trusts and/or by

- providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and such other attendance and assistance as the Company shall determine.
20. To undertake and execute any trusts, the undertaking of which may seem desirable, either gratuitously or otherwise, for the attainment of the main objects of the company.
  21. To procure the incorporation, registration or such other recognition of the Company in the Country, State or place outside Indian and to establish and maintain local registers and branch places of the main business in any part of the world.
  22. To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations or holding exhibitions.
  23. To establish and carry on business of developing, setting of and maintenance of an Internet website and web designing, for its own use for services in India or abroad for the business of the Company.
  24. To invest, acquire, hold, sell, purchase, deal in any kind of movable and immovable properties, assets, plants, machineries.
  25. To invest in gold, silver, platinum, gems, jewellery, bullion and other precious and semi-precious metals and stones.
  26. To assist any company or other such enterprise in its dealings with any Government, local, statutory and such other authority whether in India or abroad in the legitimate pursuit of its activities, and to procure capital for any company or enterprise.
  27. Things, hooks, bolts, tower bolts, dogs pikes, and press work of all kind; (ii) rods, bars, wires, sheets and all kinds of ferrous and non-ferrous rolling works: (iii) hand and machine tools; (iv) sanitary fittings and sanitary pipes; (v) utensils and cutlery of steel or aluminum; (vi) Electrical appliances, gadgets, and (vii) cycle parts.
  28. To guarantee the payment or performance of any contracts or obligations or become surety for any person, firm or company for any purpose and to act as agents for the collection, receipt or payment of money and to act as agents for and render services to customers and others and to give guarantees and indemnities.
  29. To carry on the business of manufacturers, dealers and fabricators of components, gadgets, accessories and ancillaries, instruments relating to conservation of solar energy into heat and electricity and also relating to conversion of all kinds of renewable sources of energy and also conservation of energy.



30. To carry on the business of advisors on problems relating to the administration and organization of industry and business and to advise upon the means and methods for extending, developing and improving all types of business or industries and all systems and processes relating to the production, storage, distribution, marketing and sale of goods and or relating to the rendering of the services.
31. To engage in research in all problems relating to industrial and business management and distribution, marketing and selling and to collect, prepare and distribute information and statistics relating to any type of business or industry.
32. To act as consultants and to advise and assist on all aspects of corporate, commercial and industrial management or activity including production, manufacturing, personnel, financial, marketing, taxation, technology, insurance, purchasing, sales, quality, control, productivity, planning, research and development, organization, import and export business, industrial relations and management and to make evaluations feasibility studies, project reports forecasts and surveys and to give export advice and suggest ways and means for improving efficiency in mines trades, plantations, business organizations registered or co-operate societies, partnership or proprietary concerns and industries of all kinds in India and elsewhere in the world and improvement of business management, office organization and export management, to supply to and provide, maintain and operate services, facilities, conveniences, bureau and the like for the benefit of the company, to recruit and/or advice on the recruitment of staff for any company, to publish and sell books, bulletins periodicals and any other form of printed matters, to acquire, sell and deal in patents designs and any other rights to industrial property, and generally to conduct market research, product planning, classes, seminars and conferences in connection with any of the foregoing to supervise, assist and manage the issue of fixed deposits, shares and debentures by any company and to act as manager and/or share transfer agents of any company or as a service organization for providing general administrative, advisory, commercial, financial, technical, secretarial, legal, managerial, accounting, sales, marketing, advertising, personnel, and other services to any company.
33. To act as consultants in items being dealt with by the company in the matter of manufacturing, buying, selling, importing and exporting of raw material in their finished, semi-finished or in their raw form.
34. To search for and to purchase or otherwise acquire from any Government, State or authority, any licenses, concessions, grants, decrees, rights, powers and privileges whatsoever, which may seem to the Firm capable of being turned to account and to work, develop, carry out, exercise and turn to account the same.
35. To purchase or otherwise acquire lands, houses, buildings, sheds and other fixtures on lands and buildings and to let them out on lease, rent, contract or any agreement as may be deemed fit by the Company.

36. To construct, erect and maintained, buy and sell lands, houses, apartments to any person and on such terms and conditions as may deemed fit by the Company.
37. To purchase, sell and otherwise, to carry on the business of builders, surveyors, bricks and tile makers, line burner, house and estate agents.
38. To lend or advance money to builders and other persons on securities of all descriptions whether real or personal and to grant loans upon mortgage of any lands, buildings and hereditaments, of whatever tenure, for the improvements thereof or otherwise.
39. To acquire, improve, manage, develop all rights in respect of leaseholds and freehold and freehold rights of properties and to sell and dispose of, turn to account and otherwise deal with the properties of all kinds including land, building, patents, copyrights, etc.
40. To carry on business of constructional engineering, constructors, engineers, contractors, designers, ownership flat sellers, building experts and advisers, manufacturers, dealers in stones, lime burns and ceramics, sanitary fittings and chinaware's, cement, sand, iron and other building materials, and paints and varnishes of all types as may be required for the purposes of the business of the Company.
41. To carry on the business of execution of works contracts, for supply of labour, materials, stores, equipments, tools, machinery, plants, components, accessories thereof, fabricated iron & steel works, building materials, supply of engineers, technicians, consultants, supervisors, drawings, and plants.
42. To carry on business as engineers, builders, constructors, consultants, decorators, brick, tiles and terracotta makers, carriers, exporters, importers, dealers, in stone lime, sands, bricks, hardware, iron & steel and other materials, used for and in connection with carrying out any or all of the objects of the company.
43. To acquire by purchase, lease, exchange or otherwise land including agricultural lands, buildings, structures of any description in India or abroad and any estate or interest therein and any rights over or connected with land, building and structures for constructing, developing, reconstructing, altering, cultivating, improving, decorating, furnishing and maintaining, townships, markets, offices, flats, apartments, houses, shops, factories, ware-house, or other buildings residential and commercial of all kinds and/or conveniences thereon, to equip the same or part thereof.
44. To layout, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model, improve, grades, curves, pave, macadamize, cement, maintain or do any other work

in connection with any building or building scheme, structures, houses, apartments, places of worship, paths, streets, sideways, courts, alleys, pavements, roads, highway, docks, sewers, bridges, canal, wells, springs, dams, power plants, boors, wharves, ports, reservoirs, embankments, tramway, railways, irrigations, reclamations, improvements, sanitary, water, gas or any other structural or design/layout work of any kind whatsoever and for such purpose, to prepare estimates, designs, plans, specification or models.

- IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.
- V. The Authorized Share Capital of the Company is Rs. 250,000,000/- (Twenty Five Crore) divided into 4,000,000 (Forty Lac) equity shares of Rs. 10 (Rupees Ten) each and 21,000,000 (Two Crore Ten Lac) preference shares of Rs.10 (Rupees Ten) each.

We, the several persons, whose names and addresses are subscribed hereto are desirous of being formed into a Company in pursuance of THIS MEMORANDUM OF ASSOCIATION and we respectively agree to take the number of shares in the Capital of the Company, set opposite our respective names:-

S. No	Name, Addresses, Description and Occupation of each subscriber	Number and type of Shares	Signature of subscriber	Name, Addresses, Description and Signatures of witnesses
1.	Indiabulls Financial Services Limited, F-60, Malhotra Building, 2 <sup>nd</sup> Floor, Connaught Place, New Delhi (Business) Through Authorized Representative: Amit Jain S/o Sh P. K. Jain, P-292, Sector –21, Jalvayu Vihar, Noida 201 301	4900 (Four Thousand Nine Hundred) Equity Shares	Sd/-	<p>I witness the signatures of the above subscribers</p> <p>Sd/- (Arun Gupta) S/o N. C. Gupta, Company Secretary 201, S-193, School Block, Shakarpur, Delhi 110092 (M.No. 4845, CP No 4115)</p>
2.	Rajiv Rattan S/o Shri Ram Rattan, B-4/157, Safdarjung Enclave, New Delhi 110 029 (Business)	5099 (Five Thousand Ninety Nine) Equity Shares	Sd/-	
3.	Tejinderpal Singh Miglani, S/o Shri M.S. Miglani, A-1/180, Ground Floor, Safdarjung Enclave, New Delhi – 110 029 (Service)	1 (One) Equity share	Sd/-	
	TOTAL	10,000 Equity Shares		

Place: New Delhi

Date: 16.08.2005

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

**ARTICLES OF ASSOCIATION**

**of**

**INDIABULLS ESTATE LIMITED**

**PRELIMINARY**

1. The regulations contained in Table F of Schedule I shall apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the management of the Company, so however that the Articles shall to the extent to which they are repugnant to and / or at variance with the provisions of the Companies Act 2013, various Schedules thereto and the Rules made thereunder (collectively referred to as “Act”), be deemed to have been replaced by the relevant provisions/rules in the Act so as to be in consonance and harmony therewith.”

**DEFINITIONS AND INTERPRETATIONS**

2. (i) In these Regulations :-

(a) ‘Auditor’ means the statutory auditors of the Company appointed by the Company in accordance with the provisions of the Act.

(b) 'Board' means the Board of Directors for the time being of the Company.

(c) "Beneficial Owner" means a person whose name is recorded as such with a Depository;

(d) ‘Chairman’ means the Chairman of the Board for the time being of the Company

(e) 'Director' means a member of the Board for the time being of the Company and includes an alternate director.

(f) 'Debenture' includes debenture stocks.

(g) "Depository" means a company formed and registered under the Companies Act, 1956 (1 of 1956), and which has been granted a certificate of registration under sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

(h) 'Dividend' includes Bonus.

- (i) 'General Meeting' or 'Meeting' means a general meeting of the members.
- (j) 'Managing Director' means the Managing Director(s) for the time being of the Company so appointed.
- (k) 'Member' or 'Shareholder' means duly registered holder of the shares of the Company and whose name is entered in the Register and any other person whose name is entered as Beneficial Owner in the records of the Depository.
- (l) 'Month' means calendar month.
- (m) 'Office' means the Registered Office for the time being of the Company.
- (n) 'Person' includes body corporate, firm, association of firms and society registered under the Societies Registration Act.
- (o) 'Proxy' includes an Attorney duly constituted under a Power of attorney.
- (p) 'Register' means the Register of members kept pursuant to Section 150 of the Act.
- (q) 'Shares' mean voting shares in the capital of the Company and includes all rights and interests therein, bonus shares and any shares issued in exchange thereof by way of conversion or reclassification and any shares representing or deriving from such shares as a result of any increase in or reorganisation or variation of the capital of the Company.
- (r) 'Seal' means the Common Seal for the time being of the Company.
- (s) 'Table A' means the Table A of the First Schedule to the Act.
- (t) 'The Company' means INDIABULLS ESTATE LIMITED
- (u) 'The Act' means the Companies Act, 1956 and includes any re-enactment or statutory modification thereof for the time being in force.
- (v) 'These presents' means the Memorandum of Association and these Articles of Association of the Company for the time being in force.
- (w) 'Whole time Director' means the Whole time Director for the time being of the Company.
- (ii) (a) Unless the context otherwise requires, words or expression contained in these Regulations shall bear the same meaning as in the Act or any statutory modification thereof.



(b) 'In writing' and 'written' includes printing, lithography and any other modes of representing or reproducing words in a visible form.

(c) Words importing the singular number shall include the plural number and vice versa.

## **SHARES**

3. Copies of Memorandum and Articles of Association of the Company shall be furnished to every member of the Company at his request on payment of Rs. 1 (One) each.
4. The authorised Share Capital of the Company is as mentioned in Clause V of the Memorandum of Association of the Company.
5. Subject to the provisions of Section 80 of the Companies Act, 1956, the Company may issue preference shares, which are or at the option of the Company are liable to be redeemed and/or converted into equity share capital, on such terms and in such manner and time, as the resolution authorising such issue shall prescribe.
6. Subject to the provisions of these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such person, on such terms and conditions, at such times, either at par or at a premium and for such consideration as the Board thinks fit.
7. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid up in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business.
8. Unless the shares of the Company are held with a Depository, the shares in the Capital shall be numbered progressively according to their several denominations.
9. Except as required by law, no person shall be recognised by the Company as holding any shares upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof), any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
10. The Company may pay commission to any person prescribed under Section 76 of Act and that such commission may be paid in cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debenture pay such brokerage as may be lawful.
11. Save as permitted by Section 77 of the Act, the funds of the Company shall not be employed in the purchase of or lent on the security of, shares of the Company. The

Company shall not give, directly or indirectly, any financial assistance whether by way of loan, guarantee, security or otherwise any financial assistance for the purpose of or in connection with any purchase of or subscription for any shares in the Company.

12. Subject to the provisions of section 77A, 77AA and 77B and any statutory amendments or reenactments thereof and compliance of the provisions thereof by the Company, the Company is authorised to purchase its own shares or other specified securities.
13. Subject to the provisions of section 78 and section 79 of the Act, the Company may issue shares at a premium or at a discount.
14. The Company, subject to the provisions of section 79A of the Act, may issue sweat equity shares of a class of shares already issued. All the limitations, restrictions and provisions relating to equity shares shall apply to such sweat equity shares.
15. If, by the conditions of issue of any shares, the whole or part of amount of issue price thereof shall be payable in installments, every such installment shall, when due, be paid to the Company, by the person who, for the time being, shall be the registered holder of the share or by his executor or administrator as the case may be.
16. The Joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share.
17. Share(s) may be registered in the name of any person, company or other body corporate. Not more than three persons shall be registered as joint holders of any shares. Shares may be registered in the name of any minor through a guardian only as fully paid shares.

#### **FURTHER ISSUE OF SHARES**

- 18 Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, which ever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the un-issued capital or out of the increased share capital then:
  - (a) such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.
  - (b) such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted will be deemed to have been declined.
  - (c) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favor of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any

shares to any person in whose favour any member may renounce the shares offered to him.

- (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose off them in such manner and to such person(s) as they may think, in their sole discretion, fit.

19. Notwithstanding anything contained in clause 18 thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (18) hereof) in any manner whatsoever.

- (a) If a special resolution to that effect is passed by the Company in General Meeting, or
- (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board in this behalf that the proposal is most beneficial to the Company.

20. Nothing in sub-clause (c) of clause 18 hereof shall be deemed:

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

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

- (i) to convert such debentures or loans into shares in the Company: or
- (ii) to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf: and
- (b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any Institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

## **EMPLOYEE STOCK OPTIONS/STOCK PURCHASE**

22. Subject to the provisions of Section 81 of the Act and other applicable law, the Company may issue options to the whole-time directors, officers or employees of the Company, its subsidiaries or its parent, which would give such directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the securities offered by the Company at a pre-determined price, in term of schemes of employee stock options or employees share purchase or both.

## **INCREASE AND REDUCTION OF CAPITAL**

23. The Company in General Meeting may, from time to time, by ordinary resolution increase the share capital of the Company by the creation of new shares by such sum, to be divided into shares of such amount as may be deemed expedient.
24. Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company when issued, the new shares may be issued upon such terms and conditions and with such preferential, qualified or such rights and privileges or conditions there to as general meeting resolving upon the creation thereof shall direct. If no direction be given, the Board shall determine in particular the manner in which such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.
25. Before the issue of any new shares, the Company in General Meeting may make provisions as to the allotment and issue of the new shares and in particular may determine to whom the shares be offered in the first instance and whether at par or premium or at a discount. In case no such provision is made by the Company in General Meeting, the new shares may be dealt with according to the provisions of these Articles.
26. Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered part of the then existing capital of Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and installments, transfer and transmission, forfeiture, lien, voting, surrender and otherwise.
27. If, owing to any inequality in the number of new shares to be issued and the number of shares held by members entitled to have the offer of such new shares, any difficulty arising in the allotment of such new shares or any of them amongst the members shall, in the absence of any direction in the resolution creating the shares or by the Company in general meeting, be determined by the Board.
28. Subject to the provisions of sections 100 to 103 of the Act, the Company may, from time to time in any manner, by special resolution and subject to any consent required under sections 100 to 103 of the Act, reduce:
- a. its share capital
  - b. any capital redemption reserve
  - c. any share premium account.

29. Subject to provisions of sections 100 to 105 of the Act, the Board may accept from any member the surrender, on such terms and conditions as shall be agreed, of all or any of his shares.

### **ALTERATION OF SHARE CAPITAL**

30. The Company, by ordinary resolution may, from time to time:
- a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - b) sub-divide its share or any of them into shares of smaller amount than is fixed by the Memorandum of Association so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
  - c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of share so cancelled.
31. Where any share capital is sub-divided, the Company in General Meeting, subject to the provisions of Section 85, 87 and 106 of the Act, may determine that as between the holders of the shares resulting from sub-division, one or more of such shares shall have same preferential or special rights as regards dividend, payment of capital, voting or otherwise.

### **VARIATION OF SHARE HOLDER'S RIGHTS**

32. If at any time the share capital is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise prohibited by the terms of issue of the shares of that class) may, subject to the provisions of sections 106 and 107 of the Act, whether or not the Company is being wound up, be modified, commuted, affected, abrogated, varied or dealt with by the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of three fourths of the issued shares of that class. To every such separate meeting the provisions of these regulations relating to general meeting shall mutatis mutandis apply but so that necessary quorum shall be five members or all the members holding or represented by proxy of the entire issued share of the class in the question.

### **SHARE CERTIFICATES**

33. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of

transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up there on and shall be in such form as the Directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder..

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

Nothing contained herein shall apply to transfer of a security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a Depository

34. The certificate of shares registered in the name of two or more persons shall be delivered to the person first named in the Register.
35. If any certificate be worn out, defaced, mutilated or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, an & new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under the Article shall be issued without payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the each thereof for endorsement of transfer.

Provided that notwithstanding what is slated above the Board shall comply with such Rules or Regulation or requirement of any stock exchange or the Rules made under the Securities Contract Regulations Act, 1956 or the Act, or rules applicable in this behalf.

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

36. If the securities of the Company are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such securities.



## **CALLS**

37. The Board may, from time to time, subject to terms on which any shares may have been issued and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times. Each member shall pay the amount of every call so made on him to the persons and the times and places appointed by the Board, provided that option or right to make call on shares shall not be given to any person except with the sanction of the Company in a General Meeting. A call may be made payable by installment and be deemed to have been made at the time when the resolution of the Board authorising such call was passed at a meeting of Board.
38. No call shall exceed one fourth of the nominal amount of a share or be made payable at less than one month from date fixed for the payment of the last preceding call. Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and the person or persons to whom such call, shall be paid. Provided that, before the time for payment of such call the Board, may, by notice in writing to the members, revoke the same or extend the time for payment thereof.
39. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the nominal amount of the share or by way of premium, every such amount or installment shall be payable as if it were call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls or otherwise shall relate to such amount or installment accordingly.
40. If the sum payable of any call or installment be not paid on or before the day appointed for payment, the holder for the time being of the shares in respect of which the call shall have been made or the installment shall be due, shall pay interest for the same at such rate not exceeding 18 % (Eighteen percent) per annum from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the Directors may determine from time to time. The Directors may in their absolute discretion waive the payment of interest, wholly or in part in the case of any person liable to pay such call or installment.

## **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

41. The Board may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares hold by him beyond the sums actually called for and upon the amount so paid or satisfied in advances, or so much thereof as from time to time exceeds the amount of the calls than made upon the shares in respect of which such advance has been made, the Company may pay interest provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The Company may pay interest at such rate not exceeding 18 % (Eighteen) or as

determined by the Board from time to time unless the Company in General Meeting shall otherwise direct.

42. The members shall not be entitled to any voting rights in respect of the moneys so paid by them the same would but for such payment, become presently payable.
43. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.
44. Subject to the provisions of the law of Evidence and Procedure, on the trial or hearing or any action or suit brought by the Company against any share holder or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose on the Register of the Company as a holder or one of the holders, of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter by the proof of the matters aforesaid shall be conclusive evidence of the debt.
45. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company 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 exercised any right of lien.
46. A call may be revoked or postponed at the discretion of the Board.
47. The Directors may from time to time, at their discretion extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of residence at a distance or some other cause, may be deemed fairly entitled to such extension, but no member shall, as a matter of right, be entitled to such extension (save as a matter of grace and favour).
48. Every member, his executors or administrators shall pay to the Company the proportion of the Capital represented by his share or shares which may for the time being, remain unpaid thereon in such amount at such time or times and in such manner as the Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereto.

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

49. Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to

any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares. Provided that option or right to call on shares shall not be given to any person or persons without the sanction of the Company in a General Meeting.

## **FORFEITURE OF SHARES**

50. If a member fails to pay any sum payable in respect of any call or any installment of a call, on or before the day appointed for payment thereof, the Board may at any time there after during such time as any part of the said call or installment remains unpaid, serve a notice on such member requiring payment of so much of the call or installment as is unpaid together with any interest which may have accrued and all expenses that they may have been incurred by the Company by reason of such non-payment.
51. The notice aforesaid shall name a further day not being earlier than the expiry of thirty days from the date of service of notice, on or before which such call or payment required by notice, is to be made and a place at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall state that in the event of non-payment, on or before the date so named the shares in respect of which such call or installment was payable shall be liable to be forfeited.
52. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before the payment of calls or installment, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such Forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture, subject to section 205 A of the Act.
53. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member 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 in any manner be invalidated by any omission or failure to give such notice or to make such entry as aforesaid.
54. Any share so forfeited shall be deemed to be property of the Company, and may be sold or otherwise disposed off on such terms and in such manner as the Board thinks fit.
55. The Board may at any time before any share so forfeited shall have been sold or otherwise disposed off, annul the forfeiture upon such terms and conditions, as it thinks fit.

56. i). A person whose shares have been forfeited shall cease to be member in respect of forfeited shares, but shall not withstanding the forfeiture remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares.
- ii). The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.
- iii). The forfeiture of a share shall involve the extinction of all interest in and also for all claims and demands against the Company in respect of the shares and all other rights, incidental to the share except any such of those rights as by these Articles are expressly saved.
57. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the shares on any sale or disposal thereof and may execute a transfer of share in favour of the person to whom the share is sold or disposed of. On receipt by the Company of the consideration, if any given for the shares on the sale or disposition thereof, the transferee shall be registered as the holder of such shares and the purchaser shall not be bound to see to the application of purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.
58. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same has been payable by virtue of a call duly made and notified.
59. When any shares under the powers in that behalf herein contained are sold by the Directors and the certificate has not been delivered to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered.
60. Neither the receipt by the Company of a portion of any money which shall from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Board from thereafter proceeding to enforce a forfeiture of such shares as provided in these regulations for non-payment of the whole or any balance due in respect of the shares.

## **CONVERSION OF SHARES INTO STOCK**

61. The Company may, by ordinary resolution:

- i) convert any paid-up shares into stock; and
- ii) reconvert any stock into paid-up shares of any denomination.

62. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

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

### **COMPANY'S LIEN ON SHARES**

63. The Company shall have a first and paramount lien upon all the shares (other than 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 (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonus from time to time declared in respect of such shares subject to section 205A of the Act. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if any on such shares. The Directors may, at any time declare any share wholly or in part to be exempt from the provisions of this clause.

64. For the purpose of enforcing such lien the Board may sell the shares in such manner as it thinks fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or other legal representative as the case may be and default shall have been made by him or them in payment of the sum payable as aforesaid in respect of such share for fourteen days after the date of such notice.

65. The net proceeds of the 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 exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon share before the sale) be paid to the person entitled to the share at the date of the sale.

66. Upon any sale after forfeiture or surrender or for enforcing a lien purported in exercise of the powers herein conferred, the Board may appoint some person to execute the instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the share sold and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money. After his name has been entered into the Register in respect of such share, the

validity of the sale shall not be impeached by any person on any ground whatsoever and the remedy of any person aggrieved by such sale shall be in damages only and against the Company exclusively.

#### **TERM OF ISSUE OF DEBENTURE**

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

#### **TRANSFER AND TRANSMISSION**

68. Save as provided in Section 108 of the Act, no transfer of share shall be registered unless a proper instrument duly stamped and executed by or on behalf of the transferor and by or on behalf of transferee and specifying the name, address and occupation of the transferee has been delivered to the Company along with the certificate relating to the shares or if no such certificate is in existence along with the letter of allotment of the shares, in accordance with the provisions of Section 108 of the Act. The transferor shall be deemed to remain a member in respect of such share until the name of the transferee is entered in the Register in respect thereof. The signature of one credible witness who shall add his address shall duly attest each signature to such transfer. Provided, that, where on application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as the Board may think fit so as to indemnify the Company.
69. Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall, in the case of the partly paid share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.
70. Every instrument of transfer of shares shall be in the form prescribed under the Act or as near thereto as the circumstances may admit and shall be in accordance with the provisions of Section 108 of the Act, from time to time.



71. No fee shall be charged for transfer of shares/ debentures or for effecting transmission or for registering any letters of probate, letters of administration and similar other documents.
72. Nothing contained in Article 70 and 71 shall apply to transfer of a security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a Depository.
73. No fee may be charged:
- a). For splitting up, sub-division and consolidation of shares and debenture certificates and for splitting up and sub-division of Letters of Allotment and splitting, consolidation, renewal into denomination corresponding to the market Units of trading as per Rules of Stock Exchange concerned.
  - b). For sub-division of right shares offered to share holders.
  - c). For issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilised.
  - d). For registration of any power of attorney, probate or will, Letter of Administration or similar other documents.
74. Subject to the provisions of Section 111A of the Act the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not as affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares, transfer of shares/debentures in whatever lot shall not be refused.
75. Every instrument of transfer shall be left at the office of the Company for registration, accompanied by the certificate, of the shares to be transferred or if there is no certificate, the letter of Allotment thereto and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share. The Board may waive the production of any certificates upon production of evidence to them of its having been lost or destroyed. The Company shall retain every instrument of transfer, which shall be registered,, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.
76. Subject to the provisions of Section 154 of the Act, the registration of transfer may be suspended at such times and for such periods as the Board may from time to time determine. Provided that, such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
77. If the Board refuses to register the transfer of or the transmission by operation of law of the right to any share, the Company shall within two months from the date on

which the instrument of transfer or the intimation of such transmission, as the case may be, give notice of such refusal.

78. The executor or administrators of a deceased member (not being one of several joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member. In case of the death of any one or more of the joint holders of any registered shares, the survivors shall be the only person recognised by the Company as having any title to or interest in such shares. But nothing herein contained shall be taken to release Board may require him to obtain a Grant of Probate or letters of Administration or other legal representation as the case may be from some competent court. Provided nevertheless that in any case where the Board in its absolute discretion think fit, it shall be lawful for the Board to dispense with the production of Probatory letters of Administration or such other legal representation upon such terms as to indemnify or otherwise as the Board in its absolute discretion may consider necessary.
79. Any committee or guardian of a lunatic or infant member or any person becoming entitled to transfer of shares in consequence of the death, bankruptcy, insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Articles or of the title as the Board thinks sufficient, may with consent of the Board (which it shall not be under any obligation to give) be registered as a member in respect of such shares or any subject to the regulations as to transfer herein before contained. (The Article is hereinafter referred to as 'The transmission Article').
80. Subject to Sec.205A of the Act, the Directors may retain the dividend payable upon the share to which any person becomes entitled to under Article 83 until such person shall become a member in respect of the shares.
81. a) If the person becoming entitled to shares under Article 83 shall elect to be registered as member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.  
b) If the person aforesaid shall elect to transfer the shares, he shall testify his election by execution of an instrument of transfer of shares.  
c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of share shall be applicable to any such notice or transfer as aforesaid as if the death, insanity, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.
82. A person so becoming entitled under the transmission Articles to a share by reason of death, lunacy, bankruptcy or insolvency of a member shall, subject to the provision of the Articles or Section 206 of the Act, be entitled to the same dividend and other advantages to which he would be entitled if he was the member registered in respect of the share except that he shall not before being registered as a member in respect of

the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

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

83. The Company shall incur no liability or responsibility in consequence of its registering to give 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) to be prejudice or persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting 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 or attend to any such notice and give effect thereto.

## **BORROWING POWERS**

84. The Board may from time to time subject to the sections 58A, 292 and 293 of the Act, at their discretion raise or borrow any sum or sums of money for the purpose of the Company and subject to the applicable provisions of the Act may secure payment or repayment of same in such manner and upon such terms and conditions in all respect as may be prescribed by the Board, in particular by the creation of any mortgage or charge or other encumbrances on any of the immovable properties of the company or hypothecation, pledge or charge on and over the Company's stocks, book debts and other movable properties.
85. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions as they think fit and in particular, by the issue of bonds, perpetual or redeemable debentures or debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property (both movable and immovable) of the Company both present and future including its uncalled capital for the time being or by giving, accepting or endorsing on behalf of the Company any promissory notes, bills of exchange or other negotiable instruments and no debenture shall carry any voting right whether generally or in respect of any particular class or classes of business.
86. If any uncalled capital is included in or charged by any mortgage of other security, the Directors may, by instrument under the Seal authorise the person in whose favour

such mortgage or security is executed or any other person in trust for him to make calls on the member in respect of such uncalled capital, and the provisions herein before contained in regard to calls shall, mutatis mutandis apply to calls, made under such authority and may be made exercisable either conditionally and either presently or contingently and either, to the exclusion of the Director's powers or otherwise, and shall be assignable if expressed so to do.

87. Any debenture-stock or other securities may be issued at a discount premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges such as warrants etc. and conditions as to redemption, surrender, drawing, allotment of shares, attending at General Meeting, appointment of Directors and otherwise. The power to issue debenture stock or other securities with a right to allotment of or conversion into shares of any denomination shall only be exercised by the Company in the General Meeting.
88. Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificates of the debentures.
89. If the Board refuses to register the transfer of any debentures of the Company, it shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.
90. Subject to section 201 of the Act, if any Director or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security cover for effecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or any person so becoming liable, as aforesaid, from any loss in respect of such liability.
91. Subject to Section-58A, 292 and 293 of the Act and the Companies (Acceptance of Deposits) Rules, 1975 the Company may receive deposits on such terms and conditions and bearing interest at such rates as the Board may decide and fix and which may be made payable monthly, quarterly, half yearly or yearly. .
92. The Company may subject to the provisions of Section 208 of the Act, pay interest on so much of the share capital as is for the time being paid up and was issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant, which can not be made profitable for a lengthy period.
93. Debentures/debenture stock, loan/loan stock, bonds or other securities conferring the right to allotment or conversion into shares or the option or right to call for allotment of shares shall not be issued except with the sanction of the Company in General Meeting.

## **PROCEEDINGS AT GENERAL MEETING**

94. In addition to any other meetings, a general meeting of the Company shall be held within such interval as specified in Section 166(1) of the Act, and subject to the provisions of Section 166(2) of the Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an 'Annual General Meeting' and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an Extra Ordinary General Meeting.
95. The Board may, whenever it thinks fit, call an Extra Ordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, the Directors present in India may call an Extra Ordinary General Meeting, in the same manner and as nearly as possible as that in which such a meeting may be called by the Board.
96. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members or other persons entitled to receive such notice shall not invalidate any resolution passed at any such meeting.
97. No business shall be transacted at General Meeting of the Company unless a quorum of members is present at the time when the meeting proceeds to commence business. Five members present in person shall be the quorum for the meeting of the Company. No business shall be transacted at any General Meeting unless the requisite quorum shall be present throughout the meeting.
98. Any act or resolution which, under these Articles or the Act is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if effected by an ordinary resolution as defined in Section 189(1) of the Act unless either the Act or the Articles specifically require such act to be done or resolution to be passed by a special resolution as defined in Section 189(2) of the Act.
99. The Chairman of the Board shall take the chair at every General Meeting. If there be no such Chairman or if at any meeting he shall not be present within fifteen minutes, or is unwilling to act, or if any of the Directors present decline to take the chair, then the members present shall choose one of their members being a member entitled to vote to be the Chairman of the meeting.
100. If at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the Meeting if convened by or upon the requisition of Members shall stand dissolved. In any other case the Meeting shall stand adjourned in the same day in the next week or if that day is public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day and at such other time and place in the city or town in which the office of Company is for the time being situate, as the Board may determine, and if at such

adjourned Meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present, shall be a quorum and may transact the business for which the Meeting was called.

101. a) Every question submitted to a meeting shall be decided, in the first instance by a show of hands and in the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote in addition to the vote to which he may be entitled as a member.  
b) A declaration by the Chairman that a resolution has on a show of hands been carried unanimously or by a particular majority or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without further proof.
102. The Chairman of a General Meeting may adjourn the same 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. When a meeting is adjourned it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
103. At any General Meeting unless a poll is demanded before or on the declaration of the result of the voting on any resolution and on the show of hands demanded by the Chairman or by members holding not less than one-tenth of the total voting power in respect of the resolution or by members holding shares on which an aggregate sum of not less than fifty thousand rupees has been paid up, a declaration by the Chairman that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the book containing the minutes to the proceedings of the meeting of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against the resolution.
104. a) If a poll is demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman of the meeting.  
b) The person or persons who made the demand may withdraw the demand for a poll at any time before the poll is taken.  
c) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers, at least one of whom shall be a member (not being an officer /employee of the Company) present at the meeting, provided such a member is available and willing to be appointed, to scrutinise the votes given on the poll and to report thereon to him.  
d) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. On poll a member entitled to more than one vote or his proxy or other persons entitled to vote for him, as the case may be need not, if he votes, use all his votes or casting the same way all the votes he uses.  
e) The demand for poll shall not prevent the meeting from transacting any business other than the business in respect of which a poll has been demanded.

## **VOTES OF MEMBERS**



105. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
- a) on a show of hands, every member present in person, shall have one vote, and
  - b) on a poll, the voting rights of Members shall be as laid down in Section 87 of the Act.
106. Except as conferred by Section 87 of the Act the holders of preference shares shall have no voting right. Where the holder of any preference share has a right to vote on any resolution in accordance with the provisions of Sub-Section 2 of Section 87 of the Act, his voting right on a poll as the holder of such share shall subject to the provision of Section 89 and sub-section (2) of Section 92 of the Act be in the same proportion as the Capital paid in respect of the preference share bears to the total paid up equity capital of the Company.
107. Where a Company or body-corporate (hereinafter called "Member Company") is a member of the Company a person duly appointed by resolution in accordance with Section 187 of the Act to represent such member Company at a meeting of the Company shall not by reason of such appointment, be deemed to be a proxy and the production at the meeting of the copy of such resolution duly signed by one director of such member company and certified by him as true copy of the resolution shall, on production thereof at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the same member company or body-corporate which he represents, as that member Company or body corporate could exercise if it were an individual member.
108. Where there are joint registered holders of any shares any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of the said persons so present whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint-holders thereof.
109. If any Member were unsound mind he may vote whether on show of hands or at a poll by his committee curator bonis or other legal curator and such last mentioned persons may give their vote by proxy on a poll. If any Member is a minor, his guardian may give the vote in respect of his share. If more than one person claim to exercise the right of vote under this clause, the Chairman of the Meeting may select in his absolute discretion any one person and will accept his vote.
110. No Member not present in person shall be entitled to vote on a show of hands, unless such member is a company or corporation present by a representative who may vote on the resolution as if he were a member of the Company.

111. On a poll, votes may be given either personally or by proxy or in the case of a Company, by a representative duly authorised as aforesaid.
112. Any Member of a Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person whether a member or not, as his proxy to attend and vote instead of himself but the proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.
113. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if such appointer is a body corporate under its common seal or under the hand of its attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a special proxy. Any other proxy shall be called a general proxy.
114. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power or authority shall be deposited at the office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.
115. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the instrument of proxy or of the authority under which the proxy was executed or transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Chairman at the office before the commencement of the Meeting provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.
116. Every instrument appointing a special proxy shall, as nearly as circumstances admit, be in any of the forms as set out in Schedule IX to the Act or a form as near thereto as circumstances admit.
117. No Member shall be entitled to exercise any voting rights, either personally or by proxy, at any meeting of the Company 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 exercised any right of lien.
118. i). Any objection as to the admission or rejection of a vote, on a show of hands or on a poll made in due time shall be referred to the Chairman of the meeting who shall forthwith determine the same and such decisions shall be final and conclusive.  
ii). No objection shall be raised to the qualification of any voter except at meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

## **DIRECTORS**

119. a) The number of Directors of the Company shall not be less than three and not more than twelve (maximum).
- b) The first Directors of the Company were
1. Mr. Rajiv Rattan
  2. Mr. Tejinderpal Singh Miglani
  3. Mr. Gagan Banga
120. The management of the Company shall vest in the Board of Directors.
121. Not less than two-thirds of total number of Directors of the Company shall:
- (a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and
  - (b) save as otherwise expressly provided in the Act or these presents be appointed by the Company in General Meeting.
122. The Company in the General Meeting may, subject to provision of these presents and Section 259 of the Act, by special resolution, increase or reduce the number of its Directors.
123. The Directors shall have powers at any time and from time to time to appoint any other person as a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only up to the date of the next following Annual General Meeting of the Company but shall be eligible for re-election at such meeting.
124. Subject to the provisions of Section 313 of the Act or any statutory modification thereof, the Board shall have power to appoint any person to act as alternate director for a director during the latter's absence for a period of not less than three months from the State in which meetings of the Directors are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of meetings of the Board and to attend and vote there at accordingly but he shall not be required to hold any qualification shares, if any, and shall 'ipso facto' vacate his office if and when the original Director returns to the State in which meetings of the Board are ordinarily held or if the original director vacates his office as director.
125. A director need not hold any share in the Company in his name as his qualification, but nevertheless shall be entitled to attend, speak and preside at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.

126. Each Director, other than the whole time paid Directors, may be paid such fee as may be notified by the Central Government from time to time pursuant to Section 310 of the Act and as approved by the Board, for each meeting of the Board of Directors or a Committee thereof attended by him. The Directors may also be paid the expenses as decided by Board, from time to time, in attending the meeting of the Board or a Committee of Board.
127. In addition to the fee payable to the Directors under Article 126 hereof, the Directors may be paid reasonable traveling, hotel and other expenses in attending and returning from the meetings of the Board of Directors or any Committee thereof or in connection with the business of the Company as decided by the Board.
128. Subject to Section 198, 309, 310 and 314 of the Act, if any Director or Directors being willing shall be called upon to undertake and /or perform extra professional or other services or to make any special exertion in going or residing outside the office for any of the purposes of the Company or in giving special attention to the whole of or any part of the Business of the Company, the Board may remunerate such Director.
129. The continuing Directors may act notwithstanding any vacancy in the Board but, if and so long as their number is reduced below the quorum fixed by these presents for a meeting of the Board, the continuing Directors or Director may act for the purposes of increasing the number of Directors to that fixed for the quorum or of summoning of general meeting of the Company, but for no other purpose.
130. Subject to the approval of the Board of Directors, a Director of the Company may be or become a Director of any company promoted by this Company or in which it may be interested as vendor, shareholder or otherwise and no such directors shall be accountable for any benefits received as a Director or member of such company.
131. Subject to the fulfillment of the requirements of the provisions of Sections 297 to 301 of the Act, a Director shall be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company and any such contract or arrangement entered into by or on behalf of the Company with a relative of such Director or a firm in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or Director be void, and any Director so contracting or being such member so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason of such Director holding this office or of the fiduciary relation thereby established.
132. The Company may, subject to the provisions of Sec.284 of the Act by ordinary resolution of which special notice according to Section 190 of the Act has been given, remove any Director before the expiry of his period of office and may by ordinary resolution of which special notice has been given, appoint another person instead of the removed Director. A Director so appointed shall hold office until the date upto

which his predecessor would have held office if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed, the Board may at any time thereafter fill such vacancy under the provisions of these Articles.

133. If the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire, in the normal course, the resulting vacancy may be filled by the Board at a meeting of the Board, but 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 so vacated, provided that the Board shall not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under these Articles.
134. Subject to Section 259 of the Act the Company may by special resolution from time to time, increase or reduce the number of Directors, and may either alter their qualification and the Company may (subject to the provision of requirement Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

## **PROCEEDINGS OF DIRECTORS' MEETINGS**

135. a) The Directors may meet together for the despatch of business and may adjourn and otherwise regulate their meetings and proceedings as they may think fit, subject to the provision of Section 285 of the Act.
- b) The Chairman, Director or any officer authorised by the Directors may call a meeting of the Board of Directors.
- c) Subject to the provisions of Section 316, 372A(2) and 386 of the Act, questions arising at any meeting of the Directors shall be decided by a majority of votes and in case of any equality of votes the Chairman shall have a second or casting vote.
136. Notice of every meeting of the Board or a Committee thereof 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.
137. Subject to Section 287 of the Act, the quorum for the meeting of the Board shall be one third of its total strength or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength in number, the remaining Directors, that is to say, the number of Directors who are not interested, present at the Meeting being not less than two, shall be the quorum during such meeting.
138. a) The Board shall appoint from amongst its members a Chairman.
- b) If at any meeting of the Board the Chairman shall not be present within thirty minutes of the time appointed for holding the same or if he is unable or unwilling to

take the Chair then the Board may elect one of their other members to act as the Chairman of that meeting.

139. A meeting of Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles or the Act for the time being vested in or exercisable by the Board.
140. Subject to the provisions of Section 292 and 293 of the Act, the Board may from time to time delegate any of its powers to a committee consisting of such member or members of their body, managers and other officer(s) of the Company as it may think fit and may revoke such delegation. Any Committee so formed shall, in exercise of the power so delegated, conform to any regulation that may from time to time be imposed upon it by the Board. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereof and are not superseded by any regulations made by the Directors under this Clause.
141. All acts done at any meetings of the Directors or of a Committee or by any person acting as a Director, shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such Director or person had been duly appointed and was qualified to be a Director or a member of a Committee.
142. Save for the purpose of Sections 262, 292, 297, 316, 372A and 386 of the Act, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Directors or of the Committee thereof duly called and constituted if it is 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 at their usual address in India and has been approved by such of the Directors or members as are then in India or by a majority of such of them as are entitled to vote on the resolution.

## **POWERS OF THE BOARD**

143. Subject to the provisions of the Act, the Board shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting. Provided further, that in exercising any such powers or doing any such Act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles or

in any regulations made by the Company in General Meeting but no regulations, made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

144. The Company may exercise the powers conferred on it by Sections 157 and 158 of the Act with regard to keeping of a foreign Register and the Board may (Subject to the provisions of these sections) make and vary such regulations as it may think fit in respect of the keeping of any such register.

145. Every debenture or other instrument issued by the Company for securing the payment of the money may be so framed that the moneys thereby secured shall be assigned free from any equities between the Company and the person to whom the same may be issued. Any debentures, debenture-stock, bonds or other instruments or securities may be issued at a discount, premium or otherwise and may be issued on a condition that they shall be convertible into any shares of any denomination and with any special privileges as to redemption surrender, drawing and allotment of shares or otherwise, provided that the debentures with right to conversion into or allotment of shares shall not be issued without consent of the Company in General Meeting.

146. Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in a book kept for that purpose.

147. The following powers shall be exercised by the Board or any Committee of the Board, or otherwise by the Company as may be so required:

- a) To voluntarily liquidate the Company.
- b) To increase or reduce the Company's capital.
- c) To issue and allot new shares.
- d) To make any Rights Issue of shares.
- e) To adopt any resolution to alter the Memorandum and Articles of Association.
- f) To join any other company or to invest in any other company.
- g) To Issue Debentures.
- h) To undertake or permit any merger, consolidation or reorganisation of the Company.
- i) To decide on the declaration of dividends and appropriation of profits.
- j) Subject to the provisions of Section 372-A of the Act, to give to make any loan to any person or other body corporate or give guarantee or provide security in connection with a loan made by any other person to or to any other person by any body corporate.

## **MANAGING / WHOLE TIME DIRECTORS**

148. The Company by ordinary resolution or the Board of Directors may, subject to the provisions of sections 268, 269 and 314 and schedule XIII of the Act, from time to time appoint one or more of the Directors to be Managing Director(s) or other Whole time Director(s) of the Company, for a term not exceeding five years at a time and may from time to time (subject to the provisions of any contract between

him or them and the Company) remove him or them from office by following the statutory procedures and appoint another or others in his or their place or places.

149. Subject to the provisions of Sections 198, 309, 310 and 311 of the Act, a Managing Director or whole-time Director shall in addition to the usual remuneration payable to him as a director of the Company under these Articles, receive such additional remuneration as may from time to time be sanctioned by the Company and may be by way of fixed salary or at a specified percentage of the net profits of the Company or both, or in any other manner and extent otherwise determined. The Remuneration of Managing Director / whole time Director shall be deemed to accrue from day to day.

## **MANAGER**

150. Subject to the provisions of section 197 A and 388 of the Act, the Board shall have power to appoint or employ any person to be the Manager of the Company upon such terms and conditions as the Board thinks fit and the Board may, subject to the provisions of Section 292 of the Act, vest in such manager such of powers, vested in the Board, as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to restrictions as it may determine and at such remuneration as it may think fit.

151. A Director may be appointed as General Manager/ Manager subject to Section 197 A, 314 and 388 of the Act.

## **SECRETARY**

152. Subject to the section 383A of the Act, the Board may from time to time appoint or employ any person to be secretary of the Company upon such terms, conditions and remuneration as it thinks fit to perform any functions which by the Act or the Article for the time being of the Company are to be performed by the secretary and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the secretary by the Board. The Board may, subject to the provisions of the Act, also at any time appoint some person (who need not be the secretary) to keep the registers required to be kept by the Company.

153. Subject to the provisions of the Act, a Director may be appointed as a secretary.

## **THE SEAL**

154. a) The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy and substitute a new seal in lieu thereof and provide for its safe custody.  
b) The seal shall not be affixed to any instrument except in the presence of a Director or an officer duly authorised who shall sign every instrument to which the seal shall



be affixed. Provided, nevertheless, that any instrument other than a share certificate bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same. Provided further that in respect of issue of share certificates the provisions of the Companies (Issue of Shares Certificates) Rules, 1960 shall apply.

c) Subject to the provisions of Sections 50 of the Act the Directors may provide for use of an official seal in any territory outside India.

## **ANNUAL RETURN**

155. The Company shall make the requisite Annual Return in accordance with Section 159 and 161 of the Act.

## **RESERVE**

156. The Board may subject to Section 205 (2A) of the Act from time to time, before recommending any dividend set apart any portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company or for equalisation of dividends or for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company and may, subject to the provisions of Sections 372A of the Act, invest the several sums so set aside upon such investments (other than shares in the Company) as it may think fit and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the reserves into such special funds as it thinks fit, with full power to employ the reserve or any part thereof in the business of the Company and that without being bound to keep the same separated from the other assets. The Board may also carry forward any profits, which it may think prudent not to divide without setting them aside as a reserve.

157. All moneys carried to the reserves shall nevertheless remain and be the profits of the Company available. Subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all other moneys of the Company not immediately required for the purpose of the Company may, subject to the provisions of Section 372A of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or be kept at any Bank or deposit or otherwise as the Board may from time to time think proper.

## **CAPITALISATION OF PROFITS / RESERVES**

158. (1)The Company in General Meeting may, upon the recommendation of Board, resolve:

- a) To capitalise whole or any part of the amount for the time being standing to the credit of any of the Company's reserve account, 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 sub-clause (2) below 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 provisions contained in sub-clause (3) below, either in or towards:
- a) Paying up any amounts for the time being unpaid on any shares held by such members respectively.
  - b) Paying up in full, un-issued shares of the Company to be allotted and distributed, credited as fully paid up, to and among such members in the proportion aforesaid or,
  - c) Partly in the way specified in (i) and partly in that specified in (ii) above.
- (3) A share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares or for any other purpose specified in Section 78 of the Act.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
159. 1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- a) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any; and
  - b) Generally do all acts and things required to give effect thereto.
- 2) The Board shall have full power:
- a) To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions and,
  - b) To authorise any person to enter, on behalf of 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.
- 3) Any agreement made under such authority shall be effective and binding on all such members.

## **DIVIDENDS**

160. Subject to the rights of members entitled to a share (if any) with preferential or special rights attached thereto the profits of the Company which shall from time to time be determined to be divided in respect of any year or other period

shall be applied in the payment of dividend on the Equity Shares of the Company, but so that the holder of a partly paid up share shall be only entitled to such proportion of the distribution upon a fully paid up share proportionately to the amount paid or credited thereon during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

161. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles shall be divisible among the Members in the proportion of the amount of capital paid or credited as paid up on the shares held by them respectively.
162. The Company in Annual General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.
163. No larger dividend shall be declared than that recommended by the Board, but the Company in general meeting may declare a smaller dividend.
164. No dividend shall be payable except out of profits of the Company or out of moneys provided by the Central or State Government for the payment of Dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company.
165. The Directors, if in their opinion the position of the Company justifies, may from time to time, without the sanction of a general meeting pay interim dividend to one or more classes of shares to the exclusion of others at rates, which may be differing from class to class. When declaring such dividend they should satisfy themselves that the preference shares, which have a prior claim in respect of payment of dividend, should have their entire rated dividend at the time of final preparation of the accounts of the period
166. No members shall be entitled to receive payment of any dividend or interest in respect of his share or shares whilst any money be due or owing from him as is presently payable to the Company in respect of such share or shares otherwise on account of any debts, liabilities or engagements of the members of the Company either alone or jointly with any other person or persons and the Directors may deduct from the dividend or interest payable to any member all sums of money so due from him to the Company Subject to Section 205 A of the Act.
167. Any general meeting declaring a dividend may 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 the member, be set off against the call Subject to Section 205 A of the Act. The making of a call under this Article shall be deemed ordinary business of an annual general ordinary meeting which declares dividend.

168. A transfer of share shall not pass the right to any dividend declared thereto before the registration of the transfer by the Company.

169. Subject to Section 205 A of the Act the Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Article entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.

170. The Directors may retain any dividend on which the Company has lien and may apply the same in or towards satisfaction of the debts, liabilities or engagement in respect of which the lien exists subject to Section 205 A of the Act.

171. Anyone of several persons who are members registered jointly in respect of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such shares.

172. Notice of any dividends, whether interim or otherwise, shall be given to the person entitled to share therein in the prescribed manner, if any.

173. Unless otherwise directed in accordance with Section 206 of the Act, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto or in the case of joint holders to the registered address of that one whose name stands first on the register in respect of the joint holding or to such person and at such address as the member or person entitled or sub joint-holders as the case may be, direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint holders as the case may be, may direct.

#### **UNPAID OR UNCLAIMED DIVIDEND**

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

175. Subject to the provisions of Section 205B of the Act any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven

years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund ("Fund") and that no claim by any person to any money transferred to the Fund shall lie on or after the commencement of the Companies (Amendment) Act, 1999.

176. No unclaimed or unpaid dividend shall be forfeited by the Board and all unclaimed and unpaid dividends shall be dealt with as per Section 205 A and 205 B of the Act and the rules made there under.
177. The Company shall not be responsible for the loss of any cheque, dividend warrant or postal order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office before hand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

## **BOOKS AND DOCUMENTS**

178. The Directors shall cause to be kept in accordance with Section 209 of Act, proper books of account with respect to:
- a) All sums of money received and spent by the Company and the matters in respect of which the receipts and expenditures take place including the Profit & Loss Account and cash flow statement.
  - b) All sales and purchase of goods by the Company.
  - c) The Balance Sheet depicting the assets and liabilities of the Company.
179. The books of accounts shall be kept at the Registered office or at such other place as the Board thinks fit and shall be open to inspection by the Directors during business hours.
180. The Directors shall from time to time, subject to the provisions of sections 163, 209 and 209 A of the Act, determine whether and to what extent and at what time and places and under what conditions, the documents and registers or any of them maintained by the Company of which inspection allowed by the Act, shall be kept open for the inspection of the members. Till decided otherwise by the Board, such documents and registers shall be kept open for inspection to the persons entitled thereto between 11 A.M. and 1 P.M. on all working days. No member (not being a Director) shall have any right to inspection of any account or book or document of the Company except as conferred by law or by Act or authorised by the Directors or by resolution of the Company in General Meeting and no member, not being a director shall be entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret or secret process used by the Company.

## **AUDIT**

181. Once at least in every year the books of accounts of the Company shall be examined and audited by one or more Auditor or Auditors.
182. The Company at each annual general meeting shall appoint an auditor or auditors to hold office until the next annual general meeting and their appointment, remuneration, rights and duties shall be regulated by sections 224 to 227 of the Act.
183. Where the Company has a branch office, the provision of section 228 of the Act shall apply.
184. All notices of and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have been sent to him shall also be forwarded to the Auditor of the Company and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.
185. The Auditors' Report shall be read before the Company in Annual General Meeting and shall be open to inspection for any member of the Company.
186. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in Annual General Meeting shall be conclusive, in respect of transactions of the Company for the relevant year.

## **SERVICE OF NOTICE AND DOCUMENTS**

187. The Company shall comply with the provisions of Section 53, 172 and 190 of the Act as to the service of notices.
188. The accidental omission to give notice to or the non-receipt of notice, by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
189. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share, shall be bound by every notice in respect of such share which previous to his name and address being entered in the register, shall have been duly given to the person from whom he derives his titles to such share.
190. The Signature to any notice to be given by the Company may be written, printed or lithographed.

191. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding such member then deceased and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any share whether registered solely or jointly with other persons, until some other person be registered in his stead as the member in respect thereof and such service for all purposes of the Articles be deemed a sufficient service of such notice or document on his/her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such share.
192. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these Articles or by the Act shall be sufficiently given if given by the advertisement.
193. Any notice required to be or which may be given by the advertisement shall be advertised once in vernacular newspapers circulating in the neighborhood of the registered office and once in English newspaper.

## **RECONSTRUCTION**

194. On any sale of the whole or any part of the undertaking of the Company, the Board or the Liquidators on a winding up may, if authorised by special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not either then existing or to be formed for the purchase in the whole or in part of the property of the Company and the Board (if the profits of the Company permit) or the Liquidators (in winding up) may distribute such shares or securities or any other property of the company amongst the members without realisation or vest the same in trustees for them and any special resolution may provide for the distribution or appropriation of cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the member, contributors of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall subject to the provisions of Section 395 of the Act be bound to accept as shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto save only in case the Company is proposed to be or is in course of being wound up and subject to the provisions of Section 494 of the Act as are incapable of being varied or excluded by these Articles.

## **WINDING UP**

195. On winding up preference shares rank as regards capital in priority to equity shares to the extent of the paid up value of the said shares but to no other rights or participating in its assets.
196. Subject to law of the land for the time being in force, if the Company shall be wound up and the assets available for distribution among the members as

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

197. 1) In the event of the Company being wound up the holders of preference share, if any, shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repayment to them the amount paid up on the preference shares held by them respectively and any arrears of dividend upto the commencement of the winding up, whether declared or not. If the surplus assets available as aforesaid shall be insufficient to repay the whole of the amount paid up on the preference shares and any arrears of dividend, such assets shall be distributed amongst the holders of preference shares so that the losses shall be borne by the holders of preference shares as nearly as may be in proportion to the capital paid up or which ought to have been paid up on the shares held by them at the commencement of the winding up and the arrears of Dividend as aforesaid.
- 2). The assets, if any, available for distribution after payment to the preference share holders as aforesaid shall be distributed amongst the holders of equity shares in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares in respect of which they were respectively registered.
- 3) The Article is to be without prejudice to the rights and privileges amongst the holders of preference shares of different series.

## **SECRECY CLAUSE**

198. Subject to the provisions of the Act, every Director, Manager, Auditor, trustee, Member of the Committee, Officer, servant, agent, accountant or other person employed in the business of the Company shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of account with individuals and in matter relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any meeting or by a Court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
199. No member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company or to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the



Company without the permission of the Board or subject to Article 195 require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of trade secret mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will not be in the interest of the Company to communicate.

## **INDEMNITY**

200. Subject to Section 201 of the Act, Every Director, Manager, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed Auditor shall be indemnified out of the funds of the Company, against all bonafied liability incurred by him as such Director, Manager, Secretary, Officer, employee or Auditor in defending any bonafied proceedings, whether civil or criminal or in which judgment is given in his favour or in which he is acquitted, or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

S. No	Name, Addresses, Description and Occupation of each subscriber	Signature of subscribers	Name, Addresses, Description and Signatures of witnesses
1.	Indiabulls Financial Services Limited, F-60, Malhotra Building, 2 <sup>nd</sup> Floor, Connaught Place, New Delhi (Business) Through Authorized Representative: Amit Jain S/o Sh P. K. Jain, P-292, Sector -21, Jalvayu Vihar, Noida 201 301	Sd/-	<p>I witness the signatures of the above subscribers</p> <p>Sd/- (Arun Gupta) S/o N. C. Gupta, Company Secretary 201, S-193, School Block, Shakarpur, Delhi 110092 (M. No. 4845, CP No 4115)</p>
2.	Rajiv Rattan S/o Shri Ram Rattan, B-4/157, Safdarjung Enclave, New Delhi 110 029 (Business)	Sd/-	
3.	Tejinderpal Singh Miglani, S/o Shri M.S. Miglani, A-1/180, Ground Floor, Safdarjung Enclave, New Delhi – 110 029 (Service)	Sd/-	

Place: New Delhi

Date: 16.08.2005