

---

---

**MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
PITTI ENGINEERING LIMITED**

---

---



सत्यमेव जयते

GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

2nd Floor, CPWD Building Kendriya Sadan, Hyderabad, Telangana, India, 500195

**Certificate of Incorporation pursuant to change of name**

*[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]*

*[ To form part of the certificate issued on 21.04.2018]*

Corporate Identification Number (CIN): L29253TG1983PLC004141

I hereby certify that the name of the company has been changed from PITTI LAMINATIONS LIMITED to PITTI ENGINEERING LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name PITTI LAMINATIONS PRIVATE LIMITED

Given under my hand at Hyderabad this Eighth day of May two thousand eighteen.



  
RAMESH CHANDRA MISHRA

Registrar of Companies

RoC - Hyderabad

Mailing Address as per record available in Registrar of Companies office:

PITTI ENGINEERING LIMITED

IV TH FLOOR, PADMAJA LAND MARK, 6-3-648/401, SOMAJIGUDA, HYDERABAD,  
Telangana, India, 500082

\*\*\*\*\*

\* Company No.: 01-4141

\* FRESH CERTIFICATE OF INCORPORATION CONSEQUENT  
\* ON THE CONVERSION UNDER SECTION 31/44 OF THE  
\* COMPANIES ACT, 1956 (1 OF 1956)

\* In the Office of the Registrar of Companies, Andhra Pradesh  
\* --oOo--

\* IN THE MATTER OF PITTI LAMINATIONS PRIVATE LIMITED

\* I hereby certify that PITTI LAMINATIONS PRIVATE  
\* LIMITED which was originally incorpo-  
\* rated on 17TH day of SEPTEMBER, 1983 under the  
\* name PITTI LAMINATIONS PRIVATE LIMITED

\* having duly passed the necessary Special Resolution on  
\* 23rd day of NOVEMBER, 1992 in terms of  
\* Section 31(1)/44 of the Companies Act, 1956 the name of  
\* the Company is this day changed to PITTI LAMINATIONS  
\* LIMITED

\* This Certificate is issued pursuant to Section 23(1) of the  
\* said Act.

\* Given under my hand at HYDERABAD this the 29TH  
\* day of DECEMBER One thousand Nine hundred  
\* and NINETY TWO.



(P. RAJAGOPALAN)

ASST. REGISTRAR OF COMPANIES  
ANDHRA PRADESH (HYDERABAD).

\*\*\*\*\*



पारूप आई. आर  
Form I.R.

निगमन का प्रमाण-पत्र

# CERTIFICATE OF INCORPORATION

ता..... का सं.....  
No. 4141 of 19 83-84

मैं एतद्वारा प्रमाणित करता हूँ कि आज.....

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

I hereby certify that PITTI LAMINATIONS 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 ता..... को दिया गया।

Given under my hand at...Hyderabad..... this..... 17th  
day of..... September..... One thousand nine hundred and..... eighty three.....  
(26th Bhadra 1905 Saka)

जे.एस.सी.-1  
J.S.C-1.

(V.S. RAJU) 17/9/1983  
कम्पनियों का रजिस्टर  
Registrar of Companies  
Andhra Pradesh.

UNDER THE COMPANIES ACT, 1956  
(1 OF 1956)  
COMPANY LIMITED BY SHARES  
MEMORANDUM OF ASSOCIATION  
OF  
**PITTI ENGINEERING LIMITED**

- I. The name of the Company is "**PITTI ENGINEERING LIMITED**".
- II. The Registered Office of the Company will be situated in the State of Andhra Pradesh.
- III. The objects for which the Company is established are:

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

- 1. To carry on the business of manufacture and of development, generation, purchase accumulation, transmission, distribution, sale and supply of electric power including wind energy, solar energy, thermal energy, hydro energy, bio energy or any other sources of energy at places both public or private and to construct, lay down, establish, operate, maintain, develop, power stations, cable wires, lines, accumulators, lighting equipments, transformers and all types of electrical works and equipments.

2. To buy, sell, process and carry on business of manufacture of Laminations, Pressings, Stampings, Press Components, Tools, Jigs, Fixtures, Moulds and Tool Room Produce.
3. To carry on business, as Manufacturers, Importers, Exporters, Buyers, Sellers, Dealers, Stockists, Agents, Distributors of Laminations, Pressings, Stampings, Press Components, Tools, Jigs, Mixtures, Moulds and Tool Room Produce.
4. To carry on business, as manufacturers of sheet Metal Pressing of every description and pressing of all types of metals to manufacture any item or part of such item out of metal.
5. To carry on the business as manufacturers, repairers and dealers in forgings, foundry / castings, plates, boilers and to set up steel furnaces and to carry on the business of iron founders, metal founders, metal presses, metal rollers, metal works, rolling mills, metal converters and as manufacturers of metal and metal fittings and to carry on the business as manufacturers, fabricators, importers, exporters, dealers, agents, stockists, retailers and traders of all kinds of material handling equipment, tools, machine tools, gadgets, accessories and spares and those products and items related or connected or supplementary or ancillary to the above.

**(B) THE OBJECTS ANCILLARY OR INCIDENTAL TO THE ATTAINMENT OF THE MAIN OBJECTS IN (A) ABOVE ARE:**

1. To enter into arrangement and contracts with Indian or foreign individuals, companies or other organisations for technical, financial or any other collaboration or assistance for carrying out all or any of the objects of the Company.
2. To acquire from any person, firm or body corporate whether in India or elsewhere, technical information, know-how, processes, engineering, manufacturing and operating data, plans, layouts, blueprints useful for the design, erection and operation of plant required for any of the business of the Company and to acquire any grant or licence and other rights and benefits in the foregoing matters and things.
3. To sell, exchange, mortgage, let on lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner whatsoever, to transfer deal with or dispose of the undertaking, property, assets, rights, and effects of the Company, or any part thereof for such consideration as the Company may think fit and in particular for shares, stock, debenture whether fully or partly paid up or other securities of any other Company whether or not having objects altogether or in part similar to these of the Company.
4. To pay for any rights or property acquired by the Company and to remunerate any person or Company whether by cash payment or by allotment of shares, debentures or other securities of the Company credited as paid up in full or in part or otherwise.
5. To establish or promote or concur or be interested in establishing or promoting any Company or Companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose whatsoever and to transfer to any such Company property of this Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise, acquire all or any part of the shares, debentures or other securities of any such other Company and to subsidise or otherwise assist any such other Company.

6. To purchase, take on lease or licence or in exchange/hire or otherwise any real and/or personal property and any right or privileges, which the company may think necessary or convenient for the purposes of its business or may enhance the value of any other property of the Company and, in particular any land (free hold, or lease-hold other tenure) building, easement, machinery, plant & Stock-in- trade and on any such lands to erect buildings, factories, sheds, godowns or other structures for the works and purposes of the Company, and also for the residence and amenity of its employees, staff and other workmen and erect and install machinery and plant and other equipments deemed necessary or convenient or profitable for the purposes of the company and either to retain any property to be acquired for the purposes of the Company's business or to turn the same to account as may seem expedient.
7. To carry on all kinds of promotion business and in particular to form, constitute, float, lend money to, assist and control any companies, associations, or undertaking whatsoever.
8. To acquire, hold, use, sell, assign, lease, grant, licences, in respect of mortgage, pledge or otherwise dispose of in any part of the world any patents of India patent rights, licenses and privilege, inventions, improvements and processes, copyrights, trade marks, trade names, concessions and formula, of any mixture whatsoever and apply for, purchase, or otherwise acquire and protect and renew in any part of the world any patents, patent rights, Brevets "D' invention, trade marks, designs, licences, concessions, and the like confessing any exclusive or nonexclusive, or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, or grant licences in respect of or otherwise turn to account the property right of information so acquired and to expend money in experimenting upon testing or improving any such patents, inventions or rights and without pre-judice to the generality of the above any contracts, concessions for or in relation to the supply and sale of any products or other substances, materials, articles of things or equipment for or in relation to the construction, execution, carrying out, improvement, administration or control of any works and conveniences required for the purpose of carrying out any of the business which the Company is entitled to carry on and to undertake, execute, carry out dispose of, or otherwise turn to account , such contracts, or concessions.
9. To purchase, take, on lease or on royalty basis or otherwise acquire properties or rights and plots of land or any interest therein which may be for the benefit of the company.
10. To research for, inspect, prospect, examine and explore, take on licence, lease, purchases or otherwise acquire any territories, lands and places in India or elsewhere for the purpose of extracting, drawing, purifying, refining, smelting manufacturing or otherwise producing and dealing in metals specifically for Fiber glass industry or and substances or for the purpose of carrying on any of the business of the company, and to employ and equip expeditions, commissions, experts or other agents for any purpose connected with such business.
11. To develop, design, engineer, sell, exchange, alter, improve, convert, manipulate, prepare, market, import or export or otherwise deal in any or all kinds of equipments, machinery, apparatus, components, and other parts used or that could be used in making various parts, components and precision tools having the end use for any activities as mentioned above.

12. To experiment and to incur expenses necessary for the purpose with a view to improve on the present method and process of working the several business which the company is authorised to carry on and to carry on research for improving, developing or effecting economy and greater efficiency in the process for the production, manufacture and working of or trading or dealing in the various substances, materials and articles and things for the business for which the company is established.
13. To repair, remodel, clean, renovate, convert, manipulate and prepare for resale and resale any goods from time to time belonging to the Company, as covered by main objects.
14. To lease, let, exchange the lands, houses, buildings, hereditaments and other properties of the company and to sell or otherwise dispose of the same either for consideration of cash payment in full or any investment of or otherwise.
15. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances, of any business concern and undertaking and generally of any assets, property or rights, in connection with the main objects of the Company.
16. To build, contract, maintain, enlarge, pull down, remove or replace, improve or develop and to work, manage and control any buildings, offices, factories, mills, foundaries, refineries, furnaces, godowns, warehouses, shops, machinery, engines, roadways, railways, tramways, or other means of transport, siding, bridges, reservoirs, dams, water-courses, water-systems, wharves, electrical works, gas works, or works operated by any other kind of power and also such other machinery, equipment, conveyance, works and conveniences, which may seem calculated directly or indirectly to advance the interests of the Company and to subsidise or contribute assist or take part in doing any of these things and/or to join with any other person or Company or with any Government or Governmental authority in doing any of these things.
17. To carry on the business of water works company in all its branches and to sink wells and shafts, and to make build and construct, lay down and maintain reservoirs, water works, cisterns culverts, filter beds, main and other pipes, and appliance and to execute and do all other works and things necessary or convenient for obtaining, storing, selling, delivering, measuring and distributing water for the purposes of the Company.
18. To let or lease or on hire-purchase system or to land or otherwise dispose of any property belonging to the Company and to finance the purchase of any article or articles, whether made by the Company or not, by way of loans or by the purchase of any such article or articles, and the setting thereof on the hire purchase system or otherwise.
19. To amalgamate or enter into partnership or into any arrangement for sharing profits, union of interests, co-operation joint venture or reciprocal concession, with any person, firm or company carrying on or engaged in or about to carry on or engaged in, any business or transaction which the company is authorised to carry on, or engage in, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the company.
20. To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities of any person firm or Company, carrying on or proposing to carry on, any business which this company is authorised to carry on, or possessed of property or rights suitable for any of the purposes of the Company, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company and

to purchase, acquire, sell and deal in property, Shares, stocks, of any such person, firm or Company and to conduct, make or to carry into effect and arrangements in regard to the winding up of the business of any such person, firm, or Company.

21. To manufacture and/or assemble tools, precision components such as stamping and equipments as used by this industry and business, machines, electronics, telecommunication, defence equipments, aeronautics and machinery for manufacture such tools, components and stampings which may enhance the value of the Company.
22. To underwrite, acquire by purchase, subscription or otherwise and to receive, hold, own, guarantee, sell, assign, exchange, transfer, mortgage, pledge, or otherwise dispose of or deal in and with any of the shares of the capital stock, script, warrants, rights, bonds, debentures, notes, trust receipts and other securities, obligations, cases in action and evidences of indebtedness or interest issued or created by any corporation joint stock Companies, syndicates, associations, firms, trusts, or persons, public or private or by the Government of India or by any foreign government, or by any state, territory, province, municipality or other political subdivision or by any governmental agency and as owner thereof to possess and exercise all the rights, powers and privileges of ownership, including the right to execute consent and vote thereon, and to do any and all acts and things necessary or advisable for the preservation, protection improvement and enhancement in value thereof.
23. To enter into any arrangement with any Government or Authority, Central State, Local or Foreign or Public body or persons or authority, or firm or any private individual that may seem conducive to the Company's object or any of them and to obtain from any such Government, authority, person or Company any concessions, grants, decrees, rights, charters, contracts, licences, powers and privileges whatsoever which may seem to the Company capable of being turned to account or which the Company may think directly or indirectly conducive to any of its objects or capable of being carried or in connection with its business and to work, develop, carry out, exercise and turn to account the same.
24. To apply for, promote and obtain any act of Parliament, charter privilege, concession, licence or authorisation of any Government State or Municipality, provisional order or licence of any authority for enabling the Company to carry any of its objects into effect or for extending any of the power of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the interest of the Company, but not amounting to political contribution.
25. To communicate with Chambers of Commerce and other mercantile and public bodies throughout the world and concert and promote measures for the protection of the trade, industry and persons engaged therein.
26. To establish, maintain and conduct training schools, courses and programmes in connection with the sale, installation, use, maintenance improvement or repair of machines, apparatus, appliance or products, and of articles, required in the use thereof or used in connection therewith by the Company, and establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on with all scientific and technical researches, experiments, and tests of all kinds and to promote studies and research, both scientific and technical investigations and

inventions by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing for the award of exhibitions scholarships prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.

27. To subscribe to or otherwise aid benevolent, charitable, national or other institutions or subjects of a public character and to make donations to such person and in such manner as may seem expedient and permissible under the Companies Act, 1956 or amendment thereof.
28. To establish and maintain and procure the establishment and maintenance of any contributory and non-contributory provident, pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pension, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any Company which is a subsidiary of the Company or is allied or associated with the Company or with any such subsidiary Company, or who are or were at any time the Directors or Officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependents of any such persons, and also establish, subsidise and subscribe to any institutions, associations, clubs or funds calculated to the benefit of or to advance the interests and well-being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such persons as aforesaid and to any of the matters aforesaid either alone or in conjunction with any such other Company as aforesaid.
29. To give officers, servants, or employees of the Company interest in the profits of the Company's business or any branch thereof and whether carried on by means or through the agency of any subsidiary Company or not, and for that purpose to enter into any arrangements which the Company may think fit.
30. To train or pay for the training in India or abroad of any of the Company's employees or any candidate in the interest of or for furtherance of the Company's objects.
31. To provide residential and or sleeping accommodation for workman and others and in connection therewith to afford to such persons facilities and conveniences for washing, bathing, cooking, reading, writing, and finding employment, and for the purchase, sale and consumption of provisions, both liquid and solid, and for the sale or custody of goods.
32. To refer or agree to refer any claim, demand dispute or any other question, by or against the Company when interested or concerned, and whether between the company and third parties, to arbitration in India or at any place outside India, and observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
33. To payout of the funds of the Company all costs, charges and expenses which the Company may lawfully pay with respect to the promotion, formation and registration of the Company and/or the issue of its capital or which the Company shall consider to be preliminary, including there in the cost of advertising, printing, and stationery and commission for obtaining application for taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company and expenses expended upon the formation of agencies, branches and local boards.

34. Upon any issue of shares, debentures or other securities of the Company to employ brokers, commission agents and underwriters and to provide for the remuneration of such persons for their services by payment in cash or by the issue of shares, debentures or other securities of the Company or by the granting of options to take the same, or in any other manner allowed by law.
35. Subject to Section 58 'A' of the Act, and the rules made there under and the directions of RBI as may be applicable to borrow or raise money, or to receive money on deposit or loan at interest or otherwise in such manner as the Company may think fit, and in particular by the issue of debentures, (perpetual or otherwise) and convertible into shares of this or any other company or not and to secure the repayment of any such money borrowed, raised or received, or owing by mortgage, pledge, charge or lien upon all or any of the property, assets, or revenue of the Company (both present and future) including its uncalled capital and to give the creditors the power of sale and other powers as may seem expedient and to purchase, redeem or payoff any such securities and also by a similar mortgage, charge or lien to secure and guarantee the performance of the Company or other person, firm or company of any obligation undertaken by the company or any other person, firm or company as the case may be provided that the company shall not carry on any Banking business as defined by the Banking Regulation Act, 1949.
36. To lend and advance money or to give credit to such persons or companies and on such terms as may seem expedient and in particular to customers of and others having dealings with the company and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons of Companies and generally to give guarantee and indemnities.
37. To invest, deposit, and deal with moneys of the Company in such manner as may from time to time be determined.
38. To carry on business as financiers, concessionaries and as agents and to undertake and carry on and execute all kinds of financial, commercial, trading and other operations and in that the company shall not carry on Banking business as defined in the Banking Regulation Act., 1949.
39. To take or concur in taking all such steps and proceedings as may seem best calculated to obtain and justify public confidence and avert or minimise financial disturbances which might affect the company, subject to the provisions of Companies Act, 1956.
40. To confer upon any encumbrances or trustee for any encumbrances of uncalled capital such powers of making and enforcing calls and of voting the transfer of shares not fully paid up as may be thought fit, subject to the provisions of Companies Act, 1956.
41. To issue or guarantee the issue of the shares debentures, debenture-stock or other security or obligations of any company, association, corporation, firm or person and to pay or provide for brokerage commission and underwriting in respect of any such issue.
42. To draw, make, accept, endorse, discount, execute and issue and negotiate bills of exchange, hundies, bill of lading, promissory notes, warrants, debentures and other negotiable or transferable instruments or securities subject to the provisions of Banking Regulation Act, 1949.

43. To vest any real or personal property rights or interest acquired by or belonging to the company in any person or company on behalf of or' for the benefit of the company and with or without any declared trust in favour of the company.
44. To act as agents or brokers and as trustees for any person or company and to undertake and perform sub-contracts and do all or any of the above things in any part of the world as principals, agents contractors or trustees or otherwise and through agents, subcontractors or trustees or otherwise and either alone or jointly with others.
45. To procure other recognition of the company in any Country State or place and to establish, maintain and regulate agencies in India or in any part of the world for the conduct of the business of the company or for the sale of any materials or things for the time being at the disposal of the company for sale.
46. Subject to the provisions of the Companies Act, 1956 or any other law for the time being in force, to distribute in specie or otherwise as may be resolved, any property or assets of the company or any proceeds of sale or disposal of any property or assets of the company including the shares, debentures or other securities of any other company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
47. To carry on any business of branch or a business which this Company is authorised to carry on by means or through the agency of any subsidiary Company or Companies and to enter into any arrangement with any such subsidiary Company for taking the profits and being the losses of any business or branch so carried on, or for financing any such subsidiary Company guaranteeing its liabilities, or to make any other arrangements, which may seem desirable with reference to any business or branch so carried on, including power at any either temporarily or permanently to close any such business or branch and to appoint Directors or Managers of any such subsidiary Company.
48. To carry on activities for exploring designs, patents, inventions and scientific innovations, engineering techniques in India or elsewhere in connection with any activities of the Company as mentioned above.
49. To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers herein-before setforth, either alone or in association with other corporate bodies, firms or individuals, and to do every other acts or things incidental or appertenant to or going out of, connected with the aforesaid business or any part or parts thereof, provided the same be not inconsistent with the laws of the Union of India.
50. To carry on any other activity including manufacturing, trading or otherwise which may in the opinion of the Board of Directors capable of being conveniently carried on in connection with main objects of the Company.

**(C) OTHER OBJECTS:**

1. To carry on all or any of the business of silk, cotton and synthetic spinners, weavers and doublers, flax, hemp and jute, spinners. linen manufacturers, flax, hemp, jute worsted merchants, and wool merchants, wool combers, worsted spinners, yarn stuff manufacturers, bleachers and dyers, ginner and pressers, and makers of vitriol, bleaching and dyeing materials and to purchase,

comb, prepare, spin, dye and deal in cotton, flax, hemp, jute, wool, cotton, silk and other fibrous substances and products, and to weave or otherwise manufacture, buy, sell and deal in, raw cotton yarn silk, wool, jute, flax, hemp and other fibrous substances and products, and linen, cloth and other allied goods, fabrics and allied materials and to gin and press cotton.

2. To Purchase, manufacture, produce, refine, prepare, import, export, sell and generally to deal in sugar, sugar-bleets, sugar-cane, jaggery, gur, rap, molasses, syrups and melada and alcohol and all products or by-products thereof and food product generally and in connection therewith to promote, construct and operate factories, buildings, mills, refineries, distilleries, and all other works.
3. To carryon the business of exporters, importers, buyers, sellers, suppliers, stockists, distributors, manufacturers and concessionaries of and dealers in commodities of all or any of the following:
  - (i) Office equipments of all descriptions, machinery parts, components, apparatus, instrument, gadgets, devices, contraptions, tools, stores, spare parts, utensils, things, appliances of all description and materials pertaining to the aforesaid.
  - (ii) Synthetic yarn, clothes and materials rubber and elastomers, synthetic resins, carbon black, rubber, latex, plastics, leather and formulations thereof including reclaimed rubber and other kinds of resins, rubber and plastic products, starch and other sizing materials, textile intermediates and compounds.
  - (iii) All types of chemical caustic soda, disinfectants, and of electrical, photographic apparatus and materials of paper, board, plastic, rubber and eleastomier base.
  - (iv) Oils, colours, paints, varnishes, licquers, pigments, enamels dyestuffs, fertilizers pesticides insecticides, surface active agents and glycerine.
  - (v) Cardboard, inks, paper and stationery goods, timber, wood, plywood and products thereof.
  - (vi) Petrochemical, and other synthetics, chemical and other substances of all kinds basic intermediate or otherwise.
  - (vii) Nitrogen, oxygen and other industrial and domestic gases.
  - (viii) Tyres, tubes, and tyre-cord and automobile parts and accessories
  - (ix) Electronics of all kinds and description such as electrical and wireless sets, television, receivers, transistors, radiography, phonography, dictaphones and other electrical instruments and articles.
  - (x) Alloy, special steel, stainless steel, cold and hot rolled steel, all types of materials required for manufacture of alloy, tool and special steels, steel-casting, fabricating, smelting, rolling and forging steel and alloy steel billets and all kinds and sizes of re-rolled sections i.e. Flats, Angles, Rounds, T.Iron, Squares, Hexagons Octogons Rails, Joints, Channels, Steel strips, Sheets, Plates, Deformed Bars, Bright Bars, Shaftings and Steelstructure.
  - (xi) Spirits, wines, Liquors, alcohols, Beverages of all kinds and descriptions as well as other bio-chemical and fermentation products and derivatives thereof.

- (xii) To manufacture and/or to carry on the business of international trading in all kinds of Agro Products and to establish offices and branches wherever necessary and to employ agents and dealers to facilitate international business in Agro Products.
- (xiii) To carry on the business of manufacture and or trading of fats, fertilizers, cattle food, poultry feed, manures sips, medicines and remedies of all kinds of agricultural produce growing or other purposes of remedies for men or animals and whether produced from vegetables or animal matter or by any chemical process.
- (xiv) To carry on the business of general carriers, forwarding agents, establishment and maintenance of transport services and so on and make transport facilities to the public for merchandise of every description whatsoever.
- (xv) To carry on the business of manufacture and dealers for electrical equipments, such as generators, dynamos, motors, accumulators, conductors, insulators, isolators, circuit breakers, controllers, switches, transformers, convectors, rectifiers, meters, resistors and all kinds of plant, machinery, equipment and appliances required for generation, accumulation, distribution and supply of electric power.
- (xvi) To carry on the business of Real estates, Builders, Architects, Surveyors, Contractors, Brokers, Agents and to develop, sell and purchase House Sites, Open Plots, Farm Houses, Horticultural Gardens, Residential Buildings, Commercial Complexes, Industrial Lands, Buildings, Sheds, Plantation Lands and to undertake consultancy services to any body, individual or corporate entity.
- (xvii) To carry on the business of manufacture and/or trading of garments of all varieties and descriptions, including cotton, blended and synthetic knitwear of all varieties including sweaters and to establish offices and branches wherever necessary and to employ agents and dealers to facilitate the business.
- (xviii) To carry on the business of manufacture and/or trading of spinning, weaving, knitting and processing of all kinds of natural fibers including cotton, linen silk and wool and man-made fibers including viscose, rayon acrylic and polyester and fabrics made out of them and to carry on trading in fibers and fabrics of all types and to establish offices and branches wherever necessary and to employ agents and dealers to facilitate the business.
- (xix) To carry on the business of consultancy, research, designing, conducting tests, implementation, supervising and to give support services for the development of software systems and programming either for own use or for other users, for sale in India or export outside India and to send staff and students within and outside India for implementation of projects, for doing research and advanced studies, to set up information management services like data processing, hiring out machine time, supervise and advise other companies in Info processing aspects, and to undertake turnkey projects, conducting feasibility studies, operations research in complete Hardware and Software solutions and to undertake data processing and programming relating to issue of securities and to act as registrars and transfer agents, to digitize and make drawings, maps, pictures, photographs, CAD works, deal in animations, multimedia and to design and fabricate integrated and other electronic circuits and to render all kinds of job works relating to information technology.

(xx) To carry on the business of design, development assembly, manufacture, produce, fabricate, purchase, sell, import and export of computer hardware peripherals, accessories, appliances, consumables, components, devices, stationery, books, systems, teaching aids, servers, parallel computers, mini and micro computers, network computers, Pentium based computers, micro processors, electro mechanical systems, electronic systems, printed circuit Board, telecom systems, earth stations, satellite communication systems and other allied products.

(xxi) To carry on the business of manufacture and/or trading of all kinds of metals, ferrous and non-ferrous.

4. To manufacture, produce, buy, sell, import, export, stock, deal and to act as Agent in machine tools, grinding machines, automatic lather, drilling machines, painting machines, planogrinders, machinery of every description, components, spares, stores, of every description; precision tools, cutting and small tools, electric Motors, electrical equipments, cables, wires, Switch- gears, flame and drip-proof motors, electric fans, regulators of all types, electric Kilowatt-hour Meter, magnets, electro magnets, industrial Jewels, ammeters, Voltameters and other types of measuring instruments, electrical or non-hoists, elevators, gears, trolleys and coaches, winches, power generators, magnetic separators, winders Air-conditioners, welders, drills, dies, jigs, electric grinders, Air-Compressors, Refrigerators, domestic washing machines Radar, equipments, valves, resistors, electronic instruments, conductors, diodes, magnetic materials, sewing machines Mill stores, Hard-wares, tape recorders, household appliances and component parts thereof and other materials and products.
5. To establish and carry on the business of General Carriers Special Carriers, Forwarding Agents, Clearing Agents, Warehousemen, Ship Brokers, Freight Contractors Carriers by land, Sea and Air Charters of Shipping, Airfreight and surface vehicles, Barrage-Lightment wharfingers.
6. To act as Investors or Dealers and for this purpose to purchase, acquire, subscribe for sell, transfer or otherwise dispose off shares, securities, Stocks, Bonds, Debentures, obligations issued or guaranteed by any Company or companies, Government, State Sovereign, Commissioners, Central or Provincial Public Body or authority Supreme, Municipal, Local or otherwise whether in India or else where; to act as Guarantors and to finance and lend money to any person or Bodies with or without security, provided that the Company shall not carry on any Banking business as defined under the Banking Regulation Act, 1949.

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

- V. The Authorized Share Capital of the Company is ₹ 166,89,25,000 (Rupees One Hundred and Sixty-Six Crore Eighty-Nine Lakh and Twenty-Five Thousand only) divided into 33,37,85,000 (Thirty-Three Crore Thirty-Seven Lakh and Eighty-Five Thousand) equity shares of ₹ 5 (Rupees Five) each. The Company has the power from time to time to increase or reduce its capital. Any of the said shares and any new shares hereafter to be created, may from time to time be divided into shares of several classes in such manner as the Articles of Association of the Company may prescribe or allow and so that the shares of each class may have or confer such preferred or other special rights and privileges and may be issued under such restrictions and conditions whether in regard to dividend, voting, return of capital or otherwise, as well have been assigned thereto by or under the provisions of the Articles of Association but so that the special rights or privileges belonging to holders of any shares issued with preferred or other rights shall not be varied or abrogated or affected except with such sanction as is provided for by the Articles of Association of the Company for the time being."

We, the several persons whose names and addresses and descriptions are subscribed hereunder 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 to our respective names.

Sl. No.	Name, address, description and occupation of subscribers with their signatures	Number of shares taken by each Subscriber	Name, address description and occupation of witness
1.	Sd/- <b>BADRIVISHAL PITTI</b> Moti Bhavan 6-3-648, Somajiguda Hyderabad – 500 004 Business	1  (One only)	Sd/- <b>SURESH KUMAR JAIN</b> S/o.Loon Karan Jain 5-4-726, Station Road, Nampally Hyderabad – 500 001 Chartered Accountant
2.	Sd/- <b>SHARAD BADRIVISHAL PITTI</b> Moti Bhavan 6-3-648, Somajiguda Hyderabad – 500 004 Business	1  (One only)	
3.	Sd/- <b>G.VIJAYA KUMAR</b> 32, Anand Nagar Khairatabad Hyderabad- 500 004 Service Total No. of shares taken	1  (One only)	
		3 (Three only)	

Dated: 2<sup>nd</sup> September, 1983

Place : Hyderabad

UNDER THE COMPANIES ACT, 1956

(1 OF 1956)

Company Limited by Shares

ARTICLES OF ASSOCIATION

OF

**PITTI ENGINEERING LIMITED**

The following Set of Articles was adopted vide special resolution passed by the Members of the Company at their Extra Ordinary General Meeting held on the 23rd day of November, 1992.

1. Subject as hereinafter otherwise provided expressly or impliedly, the regulations contained in table "A" in the First Schedule to the Companies Act, 1956 shall be the regulations of the Company.

#### **INTERPRETATIONS**

2. In the interpretations of these articles, unless the context otherwise requires :

"The Act" means "The Companies Act, 1956" 'or any statutory modification or re-enactment thereof for the time being in force.

“The Company” or “this Company” means PITTI ENGINEERING LIMITED

“In writing” and “Written” include printing, Lithography and other modes of representing or reproducing words in a visible form

“Member”, means the duly registered holder, from time to time, of the shares of the Company and includes the subscriber to the Memorandum of the Company.

“Office” means the Registered Office for the time being of the Company.

“Paid up” includes credited as paid up.

“Persons” includes Corporation as well as individuals.

“The Registrar” means the Registrar of Companies, Andhra Pradesh.

“Secretary” means a Company Secretary Within the meaning of Clause(C) of Sub-Section (1) of Section 2 of the Company Secretaries Act, 1980 (Act (5) of 1980) and includes any other individual possessing the prescribed qualification and appointed to perform the duties which may be performed by a Secretary under this Act and any other Ministerial or Administrative duties.

“Seal” means the Common Seal for the time being of the Company.

Words imparting the singular number include where the context admits or requires the plural number and vice versa.

“Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2 (17) of the Act

The various Sections quoted in these regulations will mean to refer to the relevant Sections in the Companies Act, 1956.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### **SHARE CAPITAL**

3. a) The Authorised Share Capital of the Company is as mentioned in the Memorandum of Association of the Company.
- b) The Company shall have the power to subdivide, consolidate, increase and reduce the capital and to divide the Shares in the Capital for the time being into several classes and attach thereto respectively such preferential or special rights, privileges and conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify, abrogate such rights, privileges or conditions in such manner as may for the time being, be provided in the regulations of the Company; to consolidate, subdivide or reorganise the shares and issue shares of higher or lower denominations.
- c) Subject to the provisions of the Act, any preference share may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company, are liable to be redeemed on such terms and in such manner as the Company before the issue of the share may by special resolution determine.

- d) Where at any time subsequent to the first allotment of shares, it is proposed to increase the subscribed capital by the issue of new shares, subject to any directions to the contrary which may be given by the Company in general meeting and subject only to these directions such new shares shall be issued in accordance with the provisions of the Act, or any statutory modification thereof
- e) The Company shall have power to issue shares at a discount, but in doing so, the Company shall comply with provisions of the Act.
- f) The Company shall have power to issue shares at a premium, but in doing so, the Company shall comply with the provisions of the Act.

Provided that notwithstanding anything to the contrary contained in the foregoing Articles or contained in any other provisions of these Articles, it shall be permissible for the Directors of the Company without requiring any Resolution of the Company in General Meeting or without making any offer to the existing shareholders of the Company, in the event of the increase of the subscribed capital of the Company being caused by allotment and/or reservation of any bonus shares and/or Rights Shares by the exercise of any option to the debentures issued or loans raised by the Company from the Government or any institution specified by the Central Government in this behalf under the provisions of the Act.

- 4. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board, who may allot or otherwise dispose of the same to such persons on such terms and conditions at such time as the Board thinks fit and with full power to allot shares of any class of the Company either, subject to the provisions of the Act, at a premium or at par or at a discount provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting. The Board shall cause to be made the returns as to allotment provided for in the Act.
- 5. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company in payment or in part payment for any property or assets of any kind whatsoever sold, supplied or transferred, or for goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business, and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid or partly paid up shares, as the case may be.

#### **ALTERATION OF SHARE CAPITAL**

- 6. The Company shall have power to alter the conditions of the Memorandum as follows, that is to say, it may:
  - 1) a) Increase its share capital by such amount as it thinks expedient by issuing new shares.
  - b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

- c) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be same as it was in the case of the share from which the reduced share is derived.
- d) Cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its Share Capital by the amount of the shares to be cancelled provided however the cancellation of shares in pursuance of the exercise of this power shall not be deemed to be reduction of share capital within the meaning of the Act.

2) The powers conferred by this regulation shall be exercised by the Company in general meeting.

7. Subject to the provisions of the Act the Company in General Meeting may, from time to time by Special Resolution reduce its Capital Redemption Reserve Account or share premium account in any manner for the time being that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

### **UNDERWRITING AND BROKERAGE**

8. Subject to provisions of the Act, the Company may at any time pay a Commission to any person in consideration of his subscribing or agreeing to subscribe (Whether absolutely or conditionally) for any shares or debentures in the Company, or procuring or agreeing to procure subscription (Whether absolute or conditional) for any share or debentures in the Company, but so that the commission shall not exceed in the case of shares, five per cent of the price at which the shares are issued, and in the case of debentures two and half percent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in other way.
9. The Company may pay brokerage at the prevailing rates at the time of Issue and nothing in the Memorandum and Articles of Association shall effect the power of the Company to pay such brokerage as it has hitherto been lawful for the Company to pay.

### **VARIATION OF SHARE HOLDERS' RIGHTS**

10. a) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the share of that class) may subject to the provisions of the Act, and whether or not the Company is being wound up be varied with the consent in writing of the holders of three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.
- b) Subject to the provisions of the Act, to every such separate general meeting, the provisions of these Regulations relating to General Meetings shall mutatis mutandis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question.
- c) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise provided by the terms of issue of shares of that class be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

11. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound 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 shares except an absolute right to the entirety thereof in the registered holder.

## **SHARE CERTIFICATES**

12. 1) The Certificate of title to share shall be issued under the Seal of the Company and shall be issued, sealed and signed in conformity with in the provisions of The Companies (Issue of Share Certificate) Rules, 1960 or any statutory modification or re-enactment thereof for the time being in force. Any two or more joint allottees or owners of a share shall, for the purpose of this Article, to be treated as a single member and the Certificate of any share may be delivered to anyone of such joint allottees or owners on behalf of all of them. The Company shall comply with the provisions of the Act.
- 2) The Company shall, within two months after the allotment of any of its shares, debentures or debenture stock, and within one month after the application for the registration of the transfer of any such shares, debentures or debenture stock, complete and despatch the Certificates of all shares and debentures and the Certificates of all debenture stock allotted or transferred, unless the conditions of Issue of the shares, debenture or debenture stock, otherwise provide.
- 3) a) The Board of Directors may renew a Share Certificate or issue a duplicate of a Share Certificate, if such share certificate.
- (i) is proved to have been lost or destroyed, or
  - (ii) Having been defaced or mutilated or torn is surrendered to the Company. Or
  - (iii) is old, decrepit, or worn out or where the cages on the reverse for recording transfers are fully utilised.
- b) The Company shall observe such rules and conditions as may be prescribed by the Government or required by the Stock Exchanges on which the shares are listed for renewal of Share Certificates or issue of duplicate Share Certificates.
- c) The Company shall not charge any fee for subdivision or consolidation of share and debenture certificates or for sub-division of letter of allotment or for splitting, consolidation or renewal of pucca transfer receipts into denominations corresponding to the market units of trading or for issue of new certificates in replacement of those which are old or worn out or where the cages on the reverse for recording transfers have been fully utilised.
- d) The Company shall not charge any fees exceeding those which may be agreed upon with the Stock Exchange on which the shares are listed for issue of new certificates in replacement of those which are torn, defaced. lost or destroyed or for sub-division or consolidation of shares and debenture certificates or for sub-division of letter of allotment or for splitting, consolidation or renewal of pucca transfer receipts into denomination other than those fixed for the market units of trading.

## **CALLS ON SHARES**

13. a) (i) The Board may, from time to time, make call upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-half of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least thirty days notice specifying the time or times and place of payment, pay to the Company at the time or times and place so specified the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
- b) A Call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
- c) The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
- d) (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 18% per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- e) (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium shall, for the purpose of these Regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of the regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Provided that any amount be paid in advance of call on any shares, such amount may carry interest but at the rate not less than 15% but shall not in respect thereof confer a right to dividend or to participate in profit.

## **NOMINATION OF SHARES**

- 13A. a) Every holder of shares or holder of debentures of the Company may, at any time, nominate, in the prescribed manner, a person to whom his shares or debentures of the Company shall vest in the event of his death.
- b) Where the shares or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of all the joint holders.

- c) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or debentures of the Company, the nominee shall, on the death of the shareholder or holder of debentures of the Company or as the case may be on the death of the joint holder becomes entitled to all the rights in the shares or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner;
- d) Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of the debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares or debentures of the Company, in the event of his death, during the minority.

### **LIEN**

- 14. a) 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 share shall be created except upon the footing and condition that Article 11 thereof will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempted from the provisions of this clause.
- b) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien. Provided that no sale shall be made,
  - (i) Unless the sum in respect of which the lien exists is presently payable, or
  - (ii) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part or of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for time being, of the share or the person entitled thereto by reason of his death or insolvency.
- c)
  - (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
  - (ii) The purchaser shall be registered as the shareholder of the shares comprised in any, such transfer.
  - (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- d)
  - (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
  - (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of sale.

- e) No member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised any right of lien.

### **FORFEITURE OF SHARES**

- 15. a) If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such times as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or installments as is unpaid, together with any interest which may have accrued.
- b) The notice aforesaid shall –
  - (i) name a further day (not being earlier than the expiry of fourteen- days from the date of service of notice) on or before which the payment required by the notice to be made, and
  - (ii) state that, in the event of non payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.
- c) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- d)
  - (i) A forfeited share may be sold or otherwise disposed of in such manner as the Board thinks fit.
  - (ii) At any time before a sale or disposal as aforesaid, the Board, may cancel the forfeiture on such terms as it thinks fit.
- e) A person whose shares have been forfeited shall cease to be a member.
- f)
  - (i) A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of facts therein stated as against all persons claiming to be entitled to the share.
  - (ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
  - (iii) The transferee shall thereupon be registered as the holder of the share.
  - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- g) 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, become payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

- h) The forfeiture of share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

## **TRANSFER AND TRANSMISSION OF SHARES**

- 16. a) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of transferee is entered in the Register of members in respect thereof.
- b) Shares in Company shall be transferred in the form prescribed by the Companies (Central Government's) General Rules and Forms 1956. The Company shall not charge any fees for registration of transfer. The provisions of the Act for the time being in force, shall be complied with in respect of all transfer of shares and registration thereof.
- c) Subject to the provisions of the Act, and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may in their absolute and unqualified discretion decline to register any transfer of shares without assigning any reason thereof. The Directors may also decline to recognise any instruments of transfer unless it is accompanied by the certificate(s) of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. If the Directors refuse to register the transfer of any shares, they shall, within one month after the date on which the transfer was lodged with the Company send to the transferee and the transferor notice of the refusal. PROVIDED that registration of the transfer shall not be refused on the ground of the transferor, being either alone or jointly with any other person, indebted to the Company on any account whatsoever except a lien on the Share.
- d) The registration of transfers 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 forty five days in any year and provisions of the Act shall be complied with.

- e) The Company shall not charge any fees for the registration of any probate, letters of administration, certificate of death, marriage, power of attorney etc.
- 17. a) (i) On the death of a member, the survivors or survivor where the member was a joint holder, and his legal representatives where he was sole holder, shall be the only person recognised by the Company as having any title to his interest in the shares.
  - (ii) Nothing in Clause (i) shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
  - b) 1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as herein- after provided, elect, either –
    - (i) to be registered himself as holder of the share; or
    - (ii) to make such transfer of the share as the deceased or insolvent member could have made.

- 2) The Board shall, in either case have the same right to decline or suspend registration as it would have had. if the deceased or insolvent member has transferred the shares before his death or insolvency.
- c) 1) If the person so becoming entitled shall elect, to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- 2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- 3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- d) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the 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 with-hold payment of all dividends, bonuses or other monies, payable in respect of the share until the requirements of the notice have been complied with.

## **REGISTER AND INDEX OF MEMBERS**

17A. The Company shall cause to be kept at its Registered Office or at such other place as may be decided by the Board of Directors, the Register and Index of Members in accordance with Sections 150 and 151 and other applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with the details of shares held in physical and dematerialised form in any media as may be permitted by law including in any form of electronic media.

The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of the Companies Act, 1956 and any amendment or Re-enactment thereof. The Company shall have power to keep in any State or Country outside India, a Register of Members for the residents in that State or Country.

## **DEMATERIALISATION OF SECURITIES**

17B. For the purpose of this Article, unless the context otherwise requires:

### **A. Definitions**

Beneficial Owner: 'Beneficial Owner' means the beneficial owner as defined in clause (a) of sub-section (1) of section 2 of the Depositories Act. 1996;

Bye-laws : 'Bye-laws' means bye-laws made by a Depository under Section 26 of the Depositories Act, 1996;

Depositories Act : 'Depositories Act' means the Depositories Act, 1996, and any statutory modification or reenactment thereof for the time being in force;

Depository : 'Depository' means a Company formed and registered under the Companies Act, 1956 (1 of 1956) ('the Act') 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);

Record: 'Record' includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;

Regulations : 'Regulations' means the regulations made by SEBI;

SEBI : SEBI means the Securities and Exchange Board of India;

Security : 'Security' means such security as may be specified by SEBI from time to time;

Shareholder or Member: 'Shareholder' or 'Member' means the duly registered holder, from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every person holding Equity Shares and/or Preference Shares of the Company as also one whose name is entered as a beneficial owner of the shares in the records of a Depository;

#### B. Dematerialisation of Securities :

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its shares, debentures and other securities (both existing and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996 and the Rules framed thereunder, if any.

#### C. Option for Investors:

Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

Where a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

#### D. Securities in Depositories to be in Fungible Form:

All securities held by a Depository shall be dematerialised and shall be in a fungible form. Nothing contained in Section 153, 153A, 153B, 187A, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

E. Rights of Depositories and Beneficial Owners:

- (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner;
- (ii) Save as otherwise provided in (i) above, the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it;
- (iii) Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.

F. Depository to furnish information:

Notwithstanding anything to the contrary contained in the Act or these Articles, where the securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies and discs.

G. Option to opt out in respect of any security:

If a beneficial owner seeks to opt out of a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the intimation as above, make appropriate entries in its record and shall inform the Company accordingly.

The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

H. Section 83 and 108 of the Act not to apply:

Notwithstanding anything to the contrary contained in the Articles:-

- i) Section 83 of the Act shall not apply to the shares with a Depository;
- ii) Section 108 of the Act shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a Depository.

I. Register and Index of Beneficial Owners:

The Register and Index of Beneficial Owners, maintained by a Depository under section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Security holders as the case may be for the purpose of these Articles.

J. Intimation to Depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with a Depository, the Company shall intimate the details of allotment of securities thereof to the Depository immediately on allotment of such securities.

K. Stamp Duty on Securities held in Dematerialised Form:

No stamp duty would be payable on shares and securities held in dematerialised form in any medium as may be permitted by law including any form of electronic medium.

L. Applicability of the Depositories Act :

In case of transfer of shares, debentures and other marketable securities, where the Company has not issued any certificate and where such shares, debentures or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

M. Company to recognise the rights of registered holders as also the beneficial owners in the records of the Depository:

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the Beneficial Owner of the shares in records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such shares on the part of any other person whether or not it shall have express or implied notice thereof.

## **BORROWING POWERS**

18. a) The Company shall have power to borrow from any person or persons and secure the payment of any sum or sums of money for the purpose of the Company and the Directors may from, time to time, at their discretion exercise this power and may themselves lend to the Company on security or otherwise provided that the Directors shall not contravene the provisions of the Act.

Provided further that no debt incurred or security given in the excess of limit imposed by the act shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit imposed had been or was hereby exceeded.

- b) The Directors may raise, or secure the repayment of, any sum or sums in such manner and upon such terms and conditions in all respects as they may think fit and in particular by creation of any mortgage or charge on the whole or any part of the property, present or future, or uncalled capital of the Company or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any Part of the property of the Company, both present and future, including its uncalled capital for the time being.

- c) Subject to the provisions of the Act and the rules made there under the Directors may receive deposits for such term and bearing interest at such rates as the Directors may decide from time to time. The deposits may be received from any person or persons including the Directors and the shareholders of the Company.
- d) The Directors shall cause a proper register to be kept, in accordance with the provisions of the Act, of charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act with regard to the registration of mortgages and charges. The register of charges kept in pursuance of the Act shall be open during business hours, subject to reasonable restrictions as the Company in General Meeting may impose so that not less than two hours in each day are allowed for such inspection to any creditor or member of the Company without fee and to any other person on payment of a fee of Rs.1/- for each inspection at the registered office of the Company.

### **DEBENTURES**

19. The Company shall have power to issue debentures but in exercising this power the provisions of the Act shall be complied with.

Debentures, debenture stock, bonds or other securities conferring the right to allotment or conversion into share or the option of right to call for allotment of shares shall not be issued except with the sanction of the Company in General Meeting.

### **GENERAL MEETING**

20. a) The Company shall comply with the provisions of the Act in the calling and conduct of the meeting.
- b) The Company shall hold a General Meeting of the members of the Company, which shall be called the Statutory meeting and the provisions of the Act shall be complied with.
- c) Without prejudice to the provisions of the Act, the Company shall in addition to any other meetings hold a General Meeting which shall be styled the Annual General Meeting, at such intervals, and in accordance with the provisions of the Act.
- d) All General Meetings other than the Annual General Meeting of the Company shall be called Extraordinary General Meeting.
- e) i) The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
- ii) If at any time, there are not within India, directors capable of acting who are sufficient in number to form a quorum, any Director or any two members of the Company may call an Extraordinary General Meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.
- iii) Extraordinary General Meetings may be called by the members under provisions of the Act and under conditions mentioned therein and by Court under conditions mentioned in the Act.
- f) All business shall be deemed special that is transacted at an Extraordinary General Meeting and also that is transacted at an Annual General Meeting with the exceptions of:

- i) The Consideration of accounts, balance sheet and the reports of the Board of Directors and Auditors:
  - ii) The declaration of a dividend:
  - iii) The appointment of Directors in the place of those retiring: and
  - iv) The appointment of and fixing of the remuneration of Auditors.
- g) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, the provisions of the Act shall be complied with.

### **NOTICES FOR GENERAL MEETINGS**

21. a) A General Meeting of the Company may be called by giving not less than twenty one days notice in writing or after giving such shorter notice as provided for in the Act.
- b) Notice of every meeting of the Company shall be given:
- (i) to every member of the Company.
  - (ii) to the persons entitled to a share in consequence of the death or insolvency of a member.
  - (iii) to the Auditor or Auditors for the time being, of the Company. in the manner provided for in the Act.
- c) 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 of the meeting.

### **CONTENTS OF NOTICE**

22. a) Every notice of the meeting of the Company shall contain the following:
- i) It shall specify the place, date and time of the meeting:
  - ii) It shall contain a statement of the business to be transacted therein.
- b) In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote, is entitled to appoint a proxy or proxies to attend and vote, instead of himself, and that proxy need not be a member.
- c) The Company shall, in the case of a resolution to be moved as a special resolution, duly specify in the notice calling the general meeting or other intimation given to the members, of the intention to propose the resolution as a special resolution.
- d) The Company shall in compliance with the Act give to its members notice of resolution requiring special notice at the same time and in the same manner as it gives notice of the meeting or if that is not practicable, shall give notice thereof either by advertisement in a newspaper having circulation, in the State in which the registered office is situated, not less than 21 days before the meeting.

- e) Subject to the provisions of the Act, the receipt of representation, if any, made under Section 225 of the Act by a retiring auditor or by a Director sought to be removed from office as a Director, must be stated in the notice of meeting given to the members of the Company if the representations are received in time.

#### **DOCUMENT TO BE ANNEXED TO THE NOTICE**

- 23. a) Where any items of business to be transacted at the meetings are deemed to be special in accordance with the provisions of the Act, a statement setting out all material facts concerning each such item of business including, in particular, the nature and extent, of interest, if any, therein of every Director, and the Manager, if any, shall be given.
  - b) Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified on the statement mentioned above.
  - c) A copy of every balance sheet including the profit and loss account, the auditor's report and every other document required by law to be annexed or attached, as the case may be, to the Balance Sheet which is to be laid before the Company in general meeting shall not less than twenty one days before the date of the meeting, be sent to every member of the Company in accordance with the provisions of the Act.
24. A copy of the representation, if any, made under Section 225 of the Act by a retiring auditor, or under Section 284 by a Director sought to be removed from office, shall be sent to the members of the Company as provided for in the Act.
25. Subject to the provisions of the Act members resolution shall be circulated to the members of the Company entitled to receive notice of the next annual general meeting.
26. The Company shall give inspection of documents referred to in the Act at the Commencement of or before the meeting.

#### **REPRESENTATION AT MEETINGS**

- 27. a) A body corporate (whether a Company within the meaning of this Act or not) may, if it is a member of the Company by resolution of the Board of Directors or other Governing body, authorise such person, as it thinks fit, to act as its representative at any meeting of members of the Company.
  - b) The person authorised by the resolution as aforesaid, shall be entitled to exercise the same right to vote by proxy, on behalf of the body corporate, which he represents, as that body could exercise if it were a member.
28. a) Any member of the 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 and the proxy so appointed shall have no right to speak at the meeting, provided however the instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding poll.
- b) The instrument appointing proxy and the power of attorney or authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company not less than 48 hours before the time of holding the meeting

or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the appointed time for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

- c) An instrument appointing a proxy shall not be questioned, if it is in any of the forms set out in Schedule IX of the Act.
- d) 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 proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of the shares in respect of which the proxy is given.

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

- e) Every member entitled to vote at meeting of the Company on any resolution to be moved there at shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days notice in writing of the intention so to inspect is given to the Company.

#### **QUORUM**

- 29. a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to transact business. Five members present in person shall be a quorum.
- b) If within half an hour from the time appointed for holding a meeting of the Company, quorum is not present, the meeting if called upon by the requisition of members, shall stand dissolved.
- c) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine.
- d) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present, shall be a quorum.

#### **CHAIRMAN OF MEETING**

- 30. a) The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company.
- b) If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their number to be Chairman of the meeting.
- c) If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be Chairman of the meeting in accordance with the provisions of the Act.

- d) i) The chairman may, with the consent of any meeting at which a quorum is present and shall if so directed by the meeting, adjourn the meeting from time to time and place to place.
  - ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
  - iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
  - iv) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at any adjourned meeting.
  - e) In case of an equality of votes, whether on show of hands or on a poll, the Chairman of the meeting at which the show of hands has taken place or at which the poll is demanded, shall be entitled to a second or casting vote provided he is, a member entitled to vote at the meeting and on the resolution.
  - f) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
  - g) Where a resolution is passed at an adjourned meeting of the Company, the resolution shall for all purposes be treated as having been passed on the date on which it was: in fact passed and shall not be deemed to have been passed on any earlier date.
31. a) On a show of hands every member present in person shall have one vote and on a poll the voting rights of members shall be as laid down in this Act.
- b) Voting rights shall be exercised in accordance with the provisions of the Act.
  - c) In the case of joint holder, the vote of the senior who tenders vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint-holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
  - d) A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, or other legal guardian and any such committee, or guardian may, on a poll, vote by proxy.
  - e) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
  - f) i) No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected is to be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.
  - ii) Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.
  - g) In respect of matters specified under Rules of Companies (Passing of Resolution by Postal Ballot) Rules, 2001 from time to time, the Resolutions are to be passed through Postal Ballot mechanism in terms of section 192 A of the Companies Act, 1956.

32. At a general meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.
33. In the election of a Director the provisions of the Act shall be complied with.
34. In giving notice of an intention to propose a resolution as a special resolution of any matter, the, Company shall have regard to the provisions of the Act.
35. After passing of the resolution at the General Meeting of the Company, the Company, shall comply with the provisions of the Act.

### **DIRECTORS AND BOARD OF DIRECTORS**

36. a) Unless otherwise determined by the Company in General Meeting, the number of Directors shall not be less than 3 (Three) or more than 12 (Twelve) inclusive of the ex-officio directors, nominee directors, technical directors, special directors, debenture directors, alternate directors, additional directors, corporation directors co-opted directors, executive directors and administrative directors, if any.
  - b) Only an individual and not a body corporate, association or firm shall be appointed Director of the Company.
  - c) Subject to the provisions of the Act, the Company may in General Meeting increase or reduce the number of Directors.
  - d) The persons named below shall become and be the first Directors of the Company.
    1. SRI BADRI VISHAL PITTI
    2. SRI SHARAD BADRI VISHAL PITTI
    3. SRI G VIJAY KUMAR
  - e) The Board of Directors shall have power to appoint additional directors; provided such additional directors shall hold office only up to the date of the next Annual General Meeting of the Company and provided further that the number of Directors and additional Directors together shall not exceed the maximum strength fixed for the Board by clause (a) above.
37. Subject to the provisions of the Act the Board of Directors shall have the power to fill up casual vacancies.
38. Subject to the provisions of the Act, the Board of Directors shall have power to appoint a person as Alternate Director during the absence of a Director for a period of not less than three months in the State in which meetings of the Board are ordinarily held.
39. Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to the industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), and Life Insurance Corporation of India (LIC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Finance

Corporation or Credit Corporation or any other Financing Company or Body (each of which IDBI, IFCI, ICICI, LIC and UTI or any other Financing Company or Body is hereinafter in this Article referred to as "The Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors which director or directors is/are hereinafter referred to as "Nominee Director/s" on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement or rotation of Directors. Subject as aforesaid the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any monies remain owing by the Company to the Corporation or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately after the monies owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold debentures, shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Articles shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled, and any other fees, commission, monies or remuneration in any form which is payable to the Directors of the Company. The fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation.

Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship/s shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

In the event of the Nominee Director/s being appointed as Whole time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to whole-time Director in the Management of the affairs of the Company. Such Nominee Directors shall be entitled to receive such remuneration, fee, commission and monies as may be approved by the Corporation.

40. A person who is not a retiring Director shall not be appointed as Director of the Company unless he has by himself or by his agent authorised in writing, signed and filed with the Registrar his consent in writing to act as such Director.
41. No share qualification shall be necessary for any Director.
42. 1) The office of a director shall be vacated if :
- a) He is found to be of unsound mind by a Court of Competent jurisdiction
  - b) He applies to be adjudicated as insolvent.
  - c) He is adjudged an insolvent.
  - d) He is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for a period of not less than six months.
  - e) He fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call.
  - f) He absents himself from three consecutive meetings of the board of Directors or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board.
  - g) He, or any firm in which he is a partner or any private company of which he is a Director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of the Act.
  - h) He acts in contravention of Section 299.
  - i) He becomes disqualified by an order of Court under Section 203, or
  - j) He is removed in pursuance of Section 284.
- 2) Notwithstanding anything in clauses (c), (d), (i) of Sub-clause 1, the disqualification referred to in those clauses shall not take effect.
- a) for thirty days from the date of adjudication; sentence or order.
  - b) Where an appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order, until the expiry of seven days from the date on which such appeal or petition is disposed of, or
  - c) Where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order and the appeal or petition, if allowed, would result to the removal of the disqualification, until such further appeal or petition is disposed of.
43. 1) Subject to the provisions of the Act, a Director or his relative, a firm in which such Director or relative is a partner, any other partner in such firm or a Private Company of which such Director is member or director, may enter into a contract with the Company for the sale, purchase or supply of goods, materials, or services or for underwriting the subscription of any shares in,

or debentures of the Company provided that the consent of the Directors is obtained by a resolution passed at a meeting of the Directors before the contract is entered into or within three months of the date on which it was entered into. No such consent however, shall be necessary to any such contract or contracts for the purchase or sale of goods and materials for cost at prevailing market price as for the sale, purchase or supply of goods, materials or services in which either the Company or the Directors, or partner or Private Company as the case may be, regularly trades or does business provided that the value of such goods and the costs of such services do not exceed ten thousand rupees in the aggregate in any calendar year comprised in the period of the contract or contracts. The Directors so contracting or being so interested shall not be liable to the, Company for any profit realised by any such contract or the fiduciary relation thereby established.

- 2) A director who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement entered into, or a proposed contract or arrangement to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest in a meeting of the Board in the manner provided in the Act: provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other Company where any of the Directors of the Company or any such other Company or two or more of them together hold not more than two percent of the paid up share capital in such other Companies or the Company as the case may be. A general notice given to the Board by the Directors, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice be entered into with the body corporate firm, shall be deemed to be sufficient disclosure. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board, the director concerned takes reasonable steps to ensure that it is brought up on and read at the first meeting of the Board after it is given.
- 3) No Director shall as a Director take any part ,in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company if he is in any way, whether directly or indirectly concerned or interested in such contract or arrangement nor shall his presence count for purpose of forming a quorum at the time or any such discussion or vote, and if he does vote, his vote shall be void; provided, however, that nothing herein contained shall apply to :
  - a) Any contract of indemnity against any loss which the Directors, or anyone or more of them, suffer by reason of becoming or being sureties or a surety for the Company
  - b) Any contract or arrangement entered into or to be entered into with a public company or a private company which is subsidiary of a public company in which the interests of the Director consists solely-

- i) in his being:
    - a) a Director of such Company and
    - b) the holder of not more than shares of such number of value therein as is required to qualify him for appointment as Director thereof, he having been nominated as such Director by the Company; or
  - ii) in his being a member holding not more than two percent of its paid up share capital.
44. Acts done by a person as a director shall be valid notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provisions in the Act or in the Article, provided that nothing in the Act shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have terminated.
45. Every director shall have such rights and powers as are provided for in the Act.
46. Every director shall discharge such duties as are provided for in the Act.
47. Directors shall be subject to such civil liabilities as are provided for in the Act.
48. Directors shall be subject to the disability provided for in the Act.
49. The office of a director shall be vacated –
- i) on the happening of any of the conditions provided for in Section 283 or any statutory modifications thereof;
  - ii) on the contravention of the provisions of Section 314 or any statutory modifications thereof;
  - iii) if a person is a Director of more than twenty Companies at a time;
  - iv) if he is disqualified under section 274 or any statutory modifications thereof;
  - v) in the case of an alternate Director, on return of the original Director to the State, under the provisions of Section 313 of the Act or any statutory modification thereof; or
  - vi) on resignation of his office by notice in writing.
50. Subject to the provisions of the Act, a Director may be appointed as Manager or Secretary of the Company.

### **ROTATION OF DIRECTORS**

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

- 3) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
- 4) If the place of the retiring Director is not filled up and the meeting has not expressly resolved not to fill vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.
- 5) If in the adjourned meeting also the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy. the retiring director shall be deemed to have been re-appointed at the adjourned meeting unless
  - i) at the meeting or at the previous meeting a resolution for the appointment of such director has been put to the meeting and lost;
  - ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so recommended;
  - iii) He is not qualified or is disqualified for appointment;
  - iv) a resolution whether special or ordinary is required for his appointment by virtue of any provisions of the Companies Act, 1956; or
  - v) the proviso to sub-section (2) of Section 263 is applicable to the case where a Director is to retire at an Annual General Meeting by virtue of Clause 2 hereof.

#### **PROCEEDING OF THE BOARD**

52. a) The Board of Directors may meet for the day-to-day business, adjourn and otherwise regulate its meetings as it thinks fit, provided however the board shall meet once in every three months in accordance with the Act.
- b) A Director may, and the Manager or Secretary on the requisition of a Director shall at any time summon a meeting of the Board.
- c) The Board shall cause notice to be circulated to every Director of the company who is for the time being in India in accordance with the Act.
- d) The quorum for a meeting of the Board shall be two Directors or one-third of its total strength whichever is greater as provided for in the Act.
- e) The continuing Director may act notwithstanding any vacancy in its body but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a General Meeting of the Company but for no other purpose.
- f) The Board may elect a Chairman of its meetings and determine the period for which he is to hold office.

- g) If no such Chairman is elected, or if any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their member to be Chairman of the meeting.
- h) The questions arising at any meeting shall be decided by majority of votes and in case of an equality of votes, the Chairman shall have a second of casting vote.
- i) Save as otherwise expressly provided by the Companies Act, 1956 a resolution in writing signed by all the members of the Board or of a Committee thereof for the time being entitled to receive notice of a meeting of the Board or Committee shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee duly convened and held.
- j) All acts done by any meeting of the Board or by any person acting as a Director shall, notwithstanding that it shall afterward be discovered that there was some defect in the appointment of Directors or persons acting as aforesaid or that they or he or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
- k) The Company shall cause to be kept minutes of all proceedings at meetings of its Board of Directors or of Committees of the Board. The minutes of a meeting shall contain a fair and correct summary of the proceedings thereat. The minutes shall also contain;
  - i) the Names of the Directors present at the meeting;
  - ii) in the copy of each resolution passed at the meeting, the names of Directors, if any, dissenting there from or not concurring in the resolution and
  - iii) the Directors shall cause to be kept a Register of Directors in accordance with the provisions of the Companies Act, 1956. The Register aforesaid shall be open to inspection by any member of the public at any time during office hours on payment of the prescribed fee. The company shall also keep a Register of Directors shareholdings giving the particulars required by the Companies Act, 1956.

#### **GENERAL POWERS OF THE BOARD OF DIRECTORS**

53. a) The Board of Directors 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 by the Act or any other provision of law or by the Memorandum of Association of the Company or by these Articles to be exercised or done by the Company in General Meeting:

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

- b) No regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

## SPECIFIC POWERS OF THE BOARD

54. Without prejudice to the general powers the Board shall have the following specific powers:-

- a) to carry out the objects and exercise the powers contained in clause III of the Memorandum of Association of the Company;
- b) to have the superintendence, control and direction over Managing Director, Managers, whole time Directors and all other officers of the Company;
- c) to delegate, subject to the provisions of the Act, by a resolution passed at a meeting, to any Committee of Directors, Managing Director or the manager of the Company
  - i) the power to borrow money otherwise than on debentures;
  - ii) the power to invest the funds of the Company; and
  - iii) the power to make loans:

Provided however that every resolution delegating the power in clause (i) shall specify the total amount up to which monies may be borrowed by the delegatee. Every resolution delegating the power referred in clause (ii) shall specify the total amount upto which the funds may be invested and the nature of investment which may be made, every resolution delegating the power in clause (iii) shall specify the total amount upto which loans may be made, the purposes for which the loans maybe made and the maximum amount of loans which may be made for each such purpose in individual cases;

Provided further that nothing in this regulation shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the specified above.

- d) to provide for the management of the affairs of the Company in any specified locality in or outside India and to delegate to person in charge of the local management such powers (not exceeding those which are delegatable by the Directors under these regulations);
- e) to appoint at anytime and from time to time by a power of attorney under seal, any person or authorities to exercise such of the powers delegated to them (not exceeding those which are delegatable by the Directors under these presents) and for such period and subject to such conditions as the Board may from time to time think fit, with power for such attorneys, to sub-delegate all or any of the powers, authorities and discretions vested in the attorney for the time being;
- f) to acquire by lease, mortgage, purchase or exchange or otherwise any property, rights or privileges which the Company is authorised to acquire at any such prices generally on such terms and conditions as the Board may think fit and to sell, let, exchange or other wise dispose off absolutely or conditionally any property, rights or privileges and undertaking of the Company upon such terms and conditions and for such consideration as they think fit, subject however to the restrictions imposed on the Board by the Act;

- g) to open any account or account with such Bank or Banks as the Board may elect or appoint, to operate on such accounts, to make sign, draw, accept, endorse, or otherwise execute all cheques, promissory notes drafts, hundies, orders, bills of exchange, bills of lading and other discharges for money payable to the Company and for the claims and demands of the Company, to make contracts and to execute deeds, provided however the provisions of the Act shall be complied with;
- h) to appoint officer (s), clerks and Servants for permanent, temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require security in such instances and to such amount as the Board may think fit and to remove or suspend any such officers, clerk and servants;
- i) to sanction, pay and reimburse to the officers of the company in respect of any expenses incurred by them on behalf of the Company;
- j) to invest and deal with any of the monies of the Company, to vary or release such investment, subject to the provisions of the Act;
- k) to refer claims or demands by or against the Company to arbitration in accordance with the provisions of the Act;
- l) to institute, conduct, defend compound or abandon any legal proceeding by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment of satisfaction or any debt due and of claims or demands by or against the Company and to appoint Solicitors, Advocates, Counsel and other legal advisers for such purposes or for any other purposes and settle and pay their remunerations;
- m) to act on behalf of the Company in all matters in which the Company is interested;
- n) to pay and give gratuities, pensions, and allowances to any person or persons including any Director, to his widow, children or dependents, that may appear to the Directors just or proper whether any such person, widow children, or other dependents have or not a legal claim upon the Company and whether such person is still in the service of company or has retired from it service, or to make contributions to any funds and pay premiums for the purchase of or for provisions of any such gratuity, pension or allowance;
- o) to establish, maintain, support and subscribe to any charitable or public object or any society, institution or club which may be for the benefit of the Company or its employees;
- p) to set aside portion of the profits of the Company to form a fund or funds before recommending any dividends for the objects mentioned above;
- q) to make and alter rules and regulations concerning the manner of payment of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit;
- r) to exercise the powers conferred by the Act, with regard to having an official seal for use abroad;
- s) to exercise the powers conferred on the Company by the Act with regard to the keeping of foreign registers;

- t) to authorise any persons to sell any goods or articles manufactured or produced by the Company or to purchase, obtain or acquire machinery, stores, goods or material for the purpose of the Company, or to sell the same when no longer required for those purposes;
- u) to exercise other powers referred to under these regulations not specifically mentioned in these regulations but referred to in other regulations in these Articles; and
- v) to determine by resolution from time to time the name of person or persons who shall be entitled to do all or any of the Acts mentioned in this regulations on behalf of the Company.

### **SPECIFIC DUTIES OF THE BOARD**

- 55. a) The Board shall call an Extra ordinary General Meeting on requisition by members in accordance with the Act.
- b) There shall be attached to every Balance Sheet laid before the Company in General Meeting, a report by the Board of Directors' in accordance with the provisions of the Act.
- c) The Board shall cause to be laid before the Company in General Meeting, the Balance Sheet and Profit and Loss Account in accordance with the Act.
- d) The Board shall cause to be kept at its Registered Office, Registers, Books and Documents, of the Company required to be maintained and kept open for inspection under the provisions of the Companies Act, 1956. and Schedule VI to the Act, be kept open for such inspection by the persons entitled thereto during office hours, under the above said provisions to the extent, in the manner and on payment of the fees, if any, specified in the aforesaid provisions at the registered office of the Company during office hours on any working day, except when the Registers and Books closed under the provisions of the Companies Act, 1956, or by the Articles of Association of the Company.

Provided however that the Register required to be maintained under the Act shall be open for inspection of the members or holders of debentures of the Company, if any, as aforesaid between the times above mentioned during the period prescribed by sub-section 5 (a) of Section 307.

- e) The Board shall cause to be sent to the Register as and when required the returns mentioned in the Act.
- f) The Board shall cause giving copies of document to any member or to any other persons in accordance with the provisions of the Act.
- g) The Board shall cause the despatch of abstracts and memorandum referred to in the Act.

### **CERTAIN POWERS TO BE EXERCISED BY BOARD ONLY AT MEETINGS**

- 56. a) The Board shall exercise the following powers on behalf of the Company only by means of resolutions passed at meetings of the Board:-
  - i) the power to make calls on shareholders in respect of money unpaid on their shares;
  - ii) the power to issue debentures;

- iii) the power to borrow money otherwise than on debentures;
  - iv) the power to invest the funds of the Company; and
  - v) the power to make loans, and shall exercise those powers in accordance with the Act.
- b) The Board shall also exercise such of the powers required to be exercised by the Act as per the provisions of the Act.
57. a) Subject to the provisions of the Act apart from items requiring unanimous resolution of the Board of Directors, questions arising at any meeting of the Board shall be decided by a majority of votes.
- b) In case of an equality of votes, the Chairman of the Board if any, shall have a second or casting vote.
58. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of 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 or by a majority of such of them as are entitled to vote on the resolution.

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

59. a) The Board shall not exercise the borrowing powers without the consent of the Company in General Meeting and only to the extent mentioned therein and any statutory modifications thereof.
- b) In the appointment of sole selling agents for the Company for any area, the Board shall conform to the provisions of the Act.
- c) In giving loans to Directors and other persons mentioned in the relevant provisions of the Act, the Board shall conform to the provisions of that Section.

#### **MANAGEMENT**

60. The Board of Directors may, from time to time and subject to the requisite approval of the Company in the General meeting and where necessary also that of the Central Government under the provisions of the Companies Act, 1956 appoint a Managing Director, Executive Director or such other Whole time Directors, on such terms and conditions and for such period that they may consider proper.
61. The Managing Director, Executive Director or such other Wholetime Directors shall be responsible for carrying on and conducting the business of the Company subject to the superintendence, direction, and control of the Board of Directors and in the conduct and Management of the said Business, the Managing Director, Executive Director or such other Wholetime Directors may exercise such powers, authorities and directions as may from time to time vested in them under an agreement or delegated to them by the Board of Directors.
62. The Managing Director, Executive Director or such other Wholetime Directors shall not be liable to retirement by rotation.

## **MANAGER**

63. Subject to the provisions of the Act, the Company may appoint a person as Manager, as defined in Section 2(24) of the Companies Act. Provided, however no firm, body corporate or association shall be appointed as Manager.
64. In the appointment of a person as Manager of the Company, the provisions of the Act shall be complied with.
65. Any assignment of office by the Manager of the Company shall be void.
66. No person shall be appointed Manager of the Company for more than a period of five years and in making such appointment, the provisions of the Act shall be complied with

## **REMUNERATION OF DIRECTORS, MANAGERS AND EMPLOYEES**

67. a) Payment of remuneration of Directors including Managing and whole time Directors and Manager, if any, shall be subject to the provisions of the Act.  
  
b) In fixing the remuneration of employees of the Company other than directors and Manager, the provisions of the Act shall be complied with.
68. In fixing the remuneration of Directors, including managing and whole time Directors, the provisions of the Act shall be complied with.
69. The Managing Director of the Company may, subject to the provisions of the Act, receive remuneration either by way of monthly payment or by way of specified percentage not exceeding 5% of the net profits of the Company calculated in the manner laid down in the Act or partly by the one way and partly by the other.
70. The Board of Directors shall from time to time decide their own remuneration for the attendance of the Board Meeting. But in no case exceed such sum as may be prescribed by the Central Government from time to time.
71. The Board of Directors may fix up an amount by way of sitting fees or incidental expenses payable to any Director, any Committee, Member or Special invitees for attending the meeting of the Board of Directors or the Committee but it shall in no case exceed such sum as may be prescribed by the Central Government from time to time per meeting.
72. Traveling and Daily Allowance of Directors, Members of any Committees and Special invitees, traveling on Company's business for attending the Board/Committee Meeting may be fixed by the Board of Directors from time to time.
73. If any Director being willing shall be called upon to perform extra service or to make any special exertions in going or residing abroad or in negotiating or carrying into effect any contract or arrangement by the Company otherwise for any purposes of the Company, or act as trustee for the Company or its debenture-holders, and shall do so, the Company may remunerate such Director either by a fixed sum and/or percentage of profits otherwise, as may be permissible under the Companies Act.

## **AUDIT**

74. Auditors shall be appointed and their duties regulated in accordance with the Act.

## **THE SEAL**

75. The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.
76. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or a Committee of the Board authorised by it in that behalf. Every instrument to which the Seal is affixed shall be signed by the Managing Director or other officer appointed by the Director for the purposes and countersigned by a Director, Manager, or Secretary.

## **DIVIDENDS AND RESERVE**

77. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
78. The Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.
79. a) The Company shall transfer to a Reserve such of percentage of its profits for the year, as prescribed by transfer of (Profit to Reserves) Rules, 1975 before declaring or paying dividends out of the profits of the current year.
- b) The Board may also carry forward any profits which it may think prudent not to divide.
- c) Subject to the rights of the persons, if any, entitled to a share with special rights as to dividends, all dividends shall be declared and paid according to amounts paid or credited as paid on the shares in respect where of the dividends is paid, but if and so long as nothing is paid up on any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- d) No amount paid or credited as paid in a share on advance of calls shall be treated for the purpose of this regulation as paid on the shares, and not in respect thereof confer a right to dividend or to participate in the profits of the Company.
- e) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any 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.
80. The Board may deduct from any dividend payable to any member all sums of money if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the Company.
81. a) Any General Meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and the Board shall give effect to the resolution of the meeting.

- b) Where any difficulty arises in regard to such distribution, the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates, and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the values so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board.
  - c) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheques or warrant sent through the post directed to the registered address of the holder or in case of joint holders to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct.
  - d) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
  - e) Anyone of the two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share.
  - f) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein, in the manner mentioned in the Act.
  - g) No dividend shall bear interest against the Company.
82. Any Annual 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 if so arranged between the Company and the member set off against the call. The making of a call under this clause shall be deemed ordinary business of an Ordinary General Meeting which declares a dividend.
83. All dividends on any share not having a legal registered owner entitled to require payment of and competent to give a valid receipt shall remain in suspense until some competent person be registered as the holder of the share.
84. The Board shall transfer the unpaid dividends within 7 days after expiry of 30 days from the date of declaration of the dividend to a special account opened by the company titled as "Unpaid dividend Account" as per provisions of the Companies Act, 1956.

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 Fund established under sub-section (1) of section 205C of the Act.

No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by the law and the Company shall comply with all the provisions of the Act in respect of any unclaimed or unpaid dividend.

## CAPITALISATION OF PROFITS

85. a) The Company in General Meeting may upon the recommendation of the Board, resolve
- i) that it is desirable to capitalise any part of the amount for the time being to the credit of any of the Company's reserve accounts or to the credit of the Profit and Loss account or otherwise available for distribution, and
  - ii) that such sum be accordingly set free for distribution amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- b) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards:
- i) paying up any amounts for the time being unpaid on any shares held by such members respectively; or
  - ii) paying up in full, unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members as the proportions aforesaid, or
  - iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- c) A share premium account and a capital redemption reserve fund may for the purpose of the regulation, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- d) The Board shall give effect to the resolution passed by the Company in pursuance of the regulation.
86. a) Whenever such a resolution as aforesaid shall have been passed, the board shall :-
- i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and allotments and issue of fully paid shares or debentures, if any, and
  - ii) generally to do all acts and things required to give effect thereto.
- b) The Board shall have full powers :
- i) 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 or debentures becoming distributable in fractions, and also
  - ii) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further share or debentures 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 remaining unpaid on their existing shares.
- c) Any agreement made under such authority shall be effective and binding on all such members.

## **ACCOUNTS**

87. To Company shall comply with the provisions of the Act with regard to the keeping of accounts, preparation of Balance Sheet and Profit and Loss Account.
88. a) The Board shall from time to time determine whether and to what extent and at what times and places and under which conditions or regulations the accounts and books of the Company or any of them shall be given to the inspection of members not being Directors.
- b) No member (not being a Director) shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the regulations or authorised by the Board or by the Company in General Meeting.
89. Every account of the Company, when audited and approved by an annual General Meeting, shall be conclusive.

## **WINDING UP**

90. If the Company shall be wound up, and the assets, available for distribution among the members as such, shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members, in proportion to the capital paid up or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. And if in a winding up the assets available for distribution among the members, shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively. But this clause is to be without prejudice to the rights of the holders issued upon special terms and conditions.
91. If the company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution, divide among the contributories, in specie or kind, any part of the assets of the Company or to the trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators, with the like sanction, shall think fit, but that any member shall be compelled to accept any shares or other securities where there is any liability.

## **SECRECY**

92. Every Director, Secretary, Manager, Auditor, Trustee, Member of Committee Officer, Servant, Agent Accountant or other person employed in the business of the company shall before entering upon the duties sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with consumers and the state of accounts with individuals and in all matters, relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may have come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any meeting of the shareholders or by a Court of Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions of these Articles of Association.
93. Any Director or Officer of the Company shall be entitled, if he thinks fit to, decline to answer any question concerning the business of the Company which may be put to him on any occasion including any meeting of the Company on the ground that the answer to such question would disclose or tend to disclose the trade secret of the Company.

94. Any officer or employee of the Company proved to the satisfaction of the Board of Directors to have been guilty of disclosing the secrets of the Company shall be liable to instant dismissal without notice, and payment of damages.

### **INDEMNITY**

95. a) Every Director of the Company, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Director to payout of the funds of the Company costs, losses and expenses (including travelling expenses) which any such Director, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Officer or Servant or in any way in the discharge of his duties.
- b) Subject to as aforesaid every Director, Manager, Secretary or other Officer of the Company shall be indemnified against any liability incurred by him in defending any proceeding whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under the provisions of this Act in which relief is given to him by the court.
96. No Director, Auditor or other Officer of the Company shall be liable for the acts, receipts or defaults of any other Director or Officer, for joining in any receipts or other act for conformity, or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, of tortuous act of any person with whom any monies, securities or effects shall be deposited, or for any loss occasioned by any error or judgment, commission, default or oversight on his part for any other loss, damage or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same happens through his own dishonesty.

Sl. No.	Name, address, description and occupation of subscribers with their signatures	Name, address description and occupation of witness
1.	<p>Sd/-</p> <p><b>BADRIVISHAL PITTI</b></p> <p>Moti Bhavan</p> <p>6-3-648, Somajiguda</p> <p>Hyderabad – 500 004</p> <p>Business</p>	
2.	<p>Sd/-</p> <p><b>SHARAD BADRIVISHAL PITTI</b></p> <p>Moti Bhavan</p> <p>6-3-648, Somajiguda</p> <p>Hyderabad – 500 004</p> <p>Business</p>	<p>Sd/-</p> <p><b>SURESH KUMAR JAIN</b></p> <p>S/o.Loon Karan Jain</p> <p>5-4-726, Station Road, Nampally</p> <p>Hyderabad – 500 001</p> <p>Chartered Accountant</p>
3.	<p>Sd/-</p> <p><b>G.VIJAYA KUMAR</b></p> <p>32, Anand Nagar</p> <p>Khairatabad</p> <p>Hyderabad- 500 004</p> <p>Service</p>	

Dated: 2<sup>nd</sup> September, 1983

Place : Hyderabad