

New set of Articles of Association of the Company was adopted at the Extraordinary General Meeting of the Shareholders held on July 27, 2009 and 05th January 2010

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CAREER POINT INFOSYSTEMS LIMITED

1. The Regulations contained in Table 'A', in the First Schedule to the Companies Act, 1956, shall not apply to this Company, but the regulations for the management of the Company, and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to *its* regulations by Special Resolution, as prescribed by the Companies Act, 1956 be such as are contained in these Articles.

Table "A" not to apply *but* Company to be governed by these Articles

Part I

INTERPRETATION

2. In the interpretation of these Articles, unless repugnant to the subject or context:

Interpretation Clause

"The Company" or "This Company" means, "Career Point Infosystems Limited"

"The Company" or this company
"The Act"

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

"These Articles" means the Articles of Association for the time being of the Company or the Articles of Association as altered from time to time by Special Resolution.

"These Articles"

"Alter" and "Alteration" shall include the making of additions and deletions.

"Alter"

"Annual General Meeting" means a General Meeting of the Members held in accordance with Section 166 of the Act.

"Annual General Meeting"

"Auditors"

"Auditors" means and includes those persons appointed as such for the time being, by the Company.

"Beneficial Owner"

"Beneficial Owner" means the Beneficial Owner *as* defined in Section 2(1)(a) of the Depositories Act, 1996.

"Board" or "Board of Directors"

"Board" or "Board of Directors" means a meeting of the Directors, duly called and constituted, or as the case may be, the Directors assembled at the Board or the requisite number of Directors entitled to pass a circular resolution in accordance with the Articles or the Directors of the Company collectively..

"Capital"

"Capital" means the share capital for the time being raised, or authorized to be raised for the purposes of the Company and includes savings and funds belonging to others which can be used as capital of any other company or business in the context of the business of the Company. .

"Debenture"

"Debenture" includes Debenture stock.

"Depositories Act"

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

"Depository"

"Depository" shall mean a Depository as defined under clause (c) of sub-section (1) of Section 2 of the Depositories Act, 1996.

"Directors"

"Directors" means the Directors for the time being of the Company, or as the case may be, the Directors assembled at a Board collectively or acting by circular resolution.

"Employee/Associate"

"Employee/ Associate , Exercise period, Exercise price, Exercise date ,Compensation Committee, Grant, Option Life, shall have the meaning defined under the ESOP Scheme, 2002 and any modification or renewal thereof."

"Extraordinary General Meeting"

"Extraordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned meeting holding thereof.

"In writing" or "written"

"In Writing" or "Written" includes printing, lithography and other modes of representing or reproducing words in a visible form including computer print outs.

"Legal Representative"

"Legal Representative" means a person who in law represents the estate of a deceased or incompetent Member.

"Meeting" or "General Meeting" means a meeting of the Members duly called and constituted in accordance with these Articles and any adjourned meeting thereof.

"Member" means' a duly registered holder from time to time of the shares of the Company and includes a subscriber to the Memorandum of Association of the Company as also one whose name is entered as the Beneficial Owner of the shares in the records of the Depository,

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| | "Month" means the calendar month. | "Month" |
| | "Office" means the Registered Office for the time being of the Company. | "Office" |
| | "Options or ESOPs" means the options offered by the Company to its employees of all or such class or classes as it may deem expedient or proper; to subscribe to the securities of the Company of whatever nature; given by the Company subject to the provisions of the Companies Act, 1956 including any amendment or re-enactment thereof and in keeping with other rules and / or regulations made thereunder or otherwise applicable. Option means a right but not an obligation to buy a specified no. of shares granted to an employee under ESOP. | "Option or ESOP" |
| | "Ordinary Resolution" shall have the meaning assigned to it by Section 189 of the Act. | "Ordinary Resolution" |
| | "Paid-up" includes credited as paid up. | "Paid – up" |
| | "Persons" includes corporations and firms as well as individuals, | "Persons" |
| | "Register of Members" means the Register of Members to be kept pursuant to the Act and also includes records of the Depository maintained in any media as may be permitted by law including in electronic media. | "Register of Members" |
| | "The Registrar" means the Registrar of Companies of the, State in which the office of the Company is for the time being situate. | "The Registrar" |
| | "Seal" means the common seal for the time being of the Company. | "Seal" |
| | "SEBI" means the Securities & Exchange Board of India established under Section 3 of the Security & Exchange Board of India Act, 1992 (15 of 92). | "SEBI" |
| | "Secretary" means any individual possessing the qualification prescribed for the time being by or under the Act or any rules made thereunder appointed to perform the duties which may be performed by a Secretary under the Act and any other ministerial and administrative duties assigned from time to time. | "Secretary" |
| | "Security" means such security as may be specified by SEBI or any other statutory body, from time to time. | "Security" |
| | "Share" means a share in the share capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied. | "Share" |
| | "Special Resolution" shall have the meaning assigned to it by Section 189 of the Act. ' | |
| "Special Resolution" "Year" and "Financial Year" | "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act. | |
| | Words importing the masculine gender also include the feminine gender. | |
| "Gender" "Singular number" | Words importing 'the singular number include, where the context admits or requires, the plural number and vice versa. | |
| | The marginal notes used in these Articles shall not affect the construction thereof. | |
| | 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 as in the Act. | |

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

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| 3. | The Authorized Share Capital of the Company is Rs.2,50,000,000/- (Rupees Twenty Five Crores Only) divided into 25,000,000 Equity Shares of Rs.10/- each with power to increase or reduce or modify the said capital and to divide the shares in the Capital for the time being of the company into several classes with such preferential qualified or special rights, rights, privileges and conditions attached thereto as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner from time to time as may be provided for by the Articles of Association of the Company, are provided by the Companies Act, 1956 | Capital |
| 4. | Subject to the provisions of the Act and these Articles the share in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot or otherwise dispose of the same or any of them to such persons, in such proportions and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with provisions of Section 78 and Section 79 of the Act) and at such times as it may from time to time think fit and proper and, with the consent of the general meeting, give to any person the option or right to call for or be allotted any class of shares of the Company either at par or at premium or, subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit provided however, notwithstanding the foregoing, the option or right to call on Shares shall not be given to any Person or Persons without the sanction of the Company in the General Meeting. | Shares under control of Directors |
| 5. | In addition to and without derogating from the powers for that purpose conferred on the Board under Article 4, the Company in general meeting may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either at premium or at par or (subject to compliance with the provisions of Section 78 and Section 79 of the Act) at a discount, as such general meeting shall determine and with full power to give to any person (whether a Member or not) the option to call for or be allotted any class of shares of the Company either at premium or at par, or (subject to compliance with provisions of Section 78 and Section 79 of the Act) at a discount, such option being | Power also to Company in General Meeting to issue shares |

exercisable at such times and for such consideration as may be directed by such general meeting or the .Company in general meeting may make any other provision, whatsoever for the issue, allotment or disposal of any shares.

6. The Company in general meeting may from time to time by an Ordinary Resolution increase its share capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital the further shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the general meeting resolving upon the creation thereof shall direct and if no direction be given as the Board shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends and in .the distribution of assets of the Company and with a right of voting at general meeting of the Company and with a right of voting at general meeting of the Company in conformity with Section 87 of the Act. Whenever the capital of the Company has been increased under the provisions of these Articles, the Directors shall comply with the provisions of Section 97 of the Act. .

Increase of capital by the Company and how carried into effect

7. (1) The Share Capital of the Company shall be in accordance with Indian Laws, Regulations, Guidelines, as in force from time to time.

Further issue of capital

(2) Where at any times after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital, then, .

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

(b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time, not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.

(c) Unless the articles of the Company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause(b) shall contain a statement of this right. Provided that the Directors may decline without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him;

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

(3) Notwithstanding anything contained in Clause (1) of this Article, the further shares aforesaid may be offered in any manner whatsoever and to any person or persons, whether or not such person or persons including persons who at the date of the offer are holders of the equity shares of the Company, if such offer is authorized by a Special Resolution of the Company in general meeting or where no such special resolution is passed, if the votes cast whether on a show of hands or on a poll, as the case may be in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

(4) Nothing in clause (c) of (1) of this article shall be deemed to

(a) extend the time within which the offer should be accepted

(b) to authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(5) Notwithstanding anything contained in sub-clause (a) to d) above, but subject, however, to Section 81(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company. Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term :

(i) Either has been approved by the Central Government before issue of the debentures or the raising of the loans or is in conformity with rules, if any, made by that Government in this behalf; and

(ii) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

(6) Notwithstanding anything contained in Section 79 of the Act, the Company may issue sweat equity shares in accordance with the provisions of Section 79A of the Act

Issue of Redeemable Preference Shares

8. Subject to the provisions of Section 80 of the Act, the Company shall have power to issue preference shares which are, or at the option of the Company are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.
9. The holder of Preference shares shall have a right to vote only on Resolution which directly affect the rights attached to his Preference shares. The Preference Share-holders shall also be entitled to vote at any meeting of the Company subject to the provisions of Section 87 of the Act.
10. (a) On the issue of redeemable preference shares under the provisions of Article 8 hereof, the following provisions shall take effect:-
- (i) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption"
- (ii) No such shares shall be redeemed unless they are fully paid.
- (iii) The premium, if any, payable on the redemption shall be provided for out of the profits of the Company or out of the Company's security premium account before the shares are redeemed; and
- (iv) Where any such, shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares to be redeemed, and the provisions of the Act, relating to the reduction of the share capital of the Company shall, except as provided under Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
- (b) The redemption of preference shares under this Article by the Company shall not be taken as reducing the amount of its authorized share capital.
- (c) Where in pursuance of this article, the Company has redeemed or is about to redeem any preference shares, it shall have powers to issue shares upto the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued, and accordingly the share capital of the company shall not, for the purpose of calculating the fees payable under Section 611, be deemed to be increased by the issue of shares in pursuance of this sub-clause. Provided that, where new shares are issued before the redemption of old shares, the new shares shall not, so far as relates to stamp duty, be deemed to have been issued in pursuance of this sub-clause unless the old shares are redeemed within one month after the issue of the new shares.
- (d) The Capital Redemption Reserve Account may, notwithstanding anything with this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to the members of the Company as fully paid bonus shares.
11. Subject to the provisions of the Act, the Company shall have the power to issue cumulative convertible preference shares to which, the following provisions shall apply:
- (a) The dividend payable on the said shares shall be on a preferential basis and shall be at such rate as may be prescribed or permitted under the applicable rules and regulations prevailing at the relevant time.
- (b) The dividend shall be cumulative and arrears shall be payable to the shareholders, registered with the Company on the date fixed for determining to whom the dividend then declared is payable:
- (c) All such shares shall be converted into equity shares any time between the expiry of three years and the expiry of five years from the date of allotment of the shares as may be decided by the Board subject to any applicable regulations or sanctions that may be in force at the time. Upon conversion into equity shares the right to receive arrears of dividend if any, on the preference shares upto the date of conversion shall devolve on the holders of the equity shares registered with the Company on the date prescribed in the declaration of the said dividend.
- (d) Such conversion shall be deemed to be redemption of the preference shares out of the proceeds of a fresh issue of shares.
12. Except so far as otherwise provided by the condition of issue or by these Articles, any capital raised by the creation of new shares, shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payments of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting, dividend, appropriation and otherwise.
13. (1) Notwithstanding anything contained in these Articles and in pursuance of Section 77A, 77AA and 77 B of the Act, the Company shall have powers, subject to and in accordance with all applicable provisions of the Act and other applicable provisions of any law for the time being in force and subject to such approvals, permissions and sanctions as may be necessary, to buy back/purchase, or acquire any of its own fully paid. shares whether or not they are redeemable and may make a payment therefore out of its free reserves or out of the Securities premium account of the Company or out of the proceeds of any issue of shares or other specified securities, made by the Company specifically for the purpose or from such other sources as may be permitted by law for the time being, in force on such terms and conditions and in such proportion and in such manner as may be prescribed by law for the time being in force from time to time, provided nothing herein contained shall be deemed to affect the provisions of Sections 100 to 104 and Section 402 of the Act in so far as and to the extent they are applicable.
- (2) Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act, the

Voting rights of Preference Shareholders

Provisions applicable for issue of Redeemable Preference Shares

Issue of Cumulative Convertible Preference Shares

Same as original capital

Buy-back of shares

Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, the provisions of security or otherwise, any financial assistance for the purchase of or in connection with the purchase of or subscription made or to be made by any person of or for any shares in the Company or in its holding Company.

- (3) Nothing in this Article shall affect the right of the Company to redeem any redeemable preference shares issued under these Articles or under Section 80 or other relevant provisions (if any) of the Act.

14. The Company may subject to the provisions of Sections 78, 80 and 100 to 105 and other applicable provisions (if any) of the Act from time to time by Special Resolution reduce its capital and any capital redemption reserve account or any share premium account in any manner for the time being authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. The Article is not to derogate from any power the Company would have if it were omitted.

Reduction of capital

15. Subject to the provisions of Section 94 of the Act, the Company in general meeting may from time to time by an ordinary resolution alter the conditions of its Articles of Association as follows:

Consolidation, division, subdivision and cancellation of shares

- (a) Consolidate the shares of the Company into shares of higher denomination so that the shares when so consolidated shall together be in nominal value to equal to the nominal value of the shares before such consolidation and so that the same proportionate liability shall remain and continue on the shares so increased as existed on the original shares before such consolidation .
- (b) Sub-divide its share or any of them into shares of smaller amount so however that in the subdivision the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
- (c) Cancel any shares which, at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be reduction of share capital within the meaning of the Act.

Whenever the Company shall do anyone or more of the things provided for in the foregoing sub-clauses (a), (b) and (c) the Company shall, within thirty days thereafter, give notice thereof to the Registrar as required by Section 95 of the Act specifying, as the case may be, the share consolidated, divided, sub-divided or cancelled.

16. If and whenever as the result of issue of new shares or of any consolidation or sub-division of shares, any share becomes held by Members in fractions, the Board shall subject to the provisions of the Act and the Articles and to the directions of the Company in general meeting, if any, sell those shares which Members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the Members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Board may authorise any person to transfer and 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 with reference to the sale.

Sale of fractional shares

17. Whenever the capital, by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may, (unless otherwise provided by the terms of issue of shares of that class) subject to the provisions of Sections 106 and 107 of the Act, and whether or not the Company is being wound up be varied, modified, commuted, affected or abrogated with the consent in writing of the holders of at least three-fourths in nominal value of the issued shares of that class or is confirmed by a special resolution passed by the votes of not less than three fourths of the votes of the holders of shares of that class at a separate general meeting of the holders of shares of that class and all the provisions contained in these Articles, as to general meetings shall mutatis mutandis apply to every such separate meeting but so that if at any adjourned meeting of such holders a quorum as defined above is not present, those persons who are present shall be the quorum.. This Article is not to derogate from any power the Company would have if this Article were omitted.

Modification of rights

The rights Conferred upon the holders of the shares of any class issued with preferred or other rights or privileges shall not unless otherwise expressly provided, by the terms of the issue of the shares of that class be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

18. The Company shall not issue any shares (not being preference shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to rights attached to the holders of other shares (not being preference shares).

Nature of rights attached to shares

SHARES AND CERTIFICATES

19. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 151, and 152 of the Act respectively, with details of shares and debentures held in material and dematerialized forms in any media as permitted by law including in any form of electronics media. and the Companies (Issue of Share Certificates) Rules, 1960 and any modification thereof. Every Member who changes his name or address shall give notice of the change of name or address to the Company. The Company shall be entitled to keep in any state or country outside India a Branch Register of Member resident in the State or country.

Register and Index of Members

20. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner hereinbefore mentioned, no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. Provided however that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialized or may be dematerialized in future or issued in future in dematerialized form.

Shares to be numbered and no share to be sub-divided

21. Subject to the provisions of the Act, and or these Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, 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 shares and if so issued shall be deemed to be fully paid-up shares. Issue of shares for consideration
22. (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account to be called "Securities Premium Account" and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 78 of the Act or in this clause, apply as if the Securities Premium Account were paid-up share capital of the Company. Securities Premium Account
- (2) The Securities Premium Account may, notwithstanding anything contained in sub-clause (1) hereof, be applied by the Company:
- (a) in paying up unissued shares of the Company to be issued to Members of the Company as fully paid bonus shares;
 - (b) in writing off the preliminary expenses of the Company.
 - (c) in writing off the expenses of, or the commission paid or discount allowed on any issue of shares or debentures of the Company, or;
 - (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.
23. If by the terms of issue of any shares or otherwise the whole or any part of the amount or issue price thereof shall be payable by installments at fixed time, every such installment shall, when due, be paid to the Company by the person who for the time being and from time to time is the registered holder of the shares or by his legal representatives. Instalment on shares to be duly paid
24. Subject to the provisions of these Articles any application signed by or on behalf of an applicant for shares in the Company followed by allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members or in the records of the Depository shall for the purposes of these Articles, be a Member provided that no share shall be applied for by or allotted to a minor, insolvent or person of unsound mind. Acceptance of shares
25. The money (if any); which the Board of Directors shall on the allotment of any shares being made by it, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by it shall immediately on the insertion of the name of the allottee in the Register of Members or in the records of the Depository as the holder of such shares become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly. Deposit and call etc. to be a debt payable immediately
26. Every Member, or his heirs, executors or administrators, shall pay to the Company the proportion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts at such time or times and in such manner, as the Board of Directors shall from time to time, in accordance with Company's Regulations require or fix for the payment thereof. Liability of Members
27. The Company shall unless the conditions of issue otherwise provide, within three months after the allotment of any of its shares or debentures and within two months after the application for the registration of transfer of any such shares or debentures complete and have ready for delivery the certificate of all shares and debentures allotted. Time limit for delivery of certificate
28. Every Member or allottee of shares shall be entitled without payment, to receive one certificate for all the shares of the same class registered in his name and specifying the name of the person in whose favour it is issued, the share certificate number and the distinctive number(s) of the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares. Share certificate
- PROVIDED THAT if the letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the Payment of out of pocket expenses incurred by the Company in investigating the evidence. If any Member shall require additional certificates he shall pay for each additional certificate (not being in the marketable lot) such sum not exceeding one rupee as the Board shall determine. The certificate of title to shares shall be issued under the seal of the Company in conformity with the provisions of the Companies (Issue of Share Certificates) Rules, 1960, or any statutory modification or re-enactment thereof for the time being in force.
- Notwithstanding anything contained hereinabove, the Board may in its absolute discretion refuse applications for the sub division or consolidation of share certificates, debenture certificates, into denominations of less than the marketable lot except when such sub division or consolidation is required to be made to comply with a statutory provision or an order of a Competent Court of Law.
29. (1) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the company a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed, then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the Company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the article shall be issued without payment of fees if the directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the directors shall prescribe. Provided that no fees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above directors shall comply with such rules and regulations or

requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act 1956 or any other Act or rules applicable in this behalf.
The provisions of this article shall mutatis mutandis apply to debentures of the Company.

(2) When a new share certificate has been issued in pursuance of sub-article (1) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Duplicate issued in lieu of Shares Certificate No." or "Issued in lieu of Share Certificate No. Sub-divided/replaced/on consolidation of Shares" as the case may be. The word "Duplicate" shall be stamped or punched in bold letters across the face of the Share Certificate.

(3) Where a new share certificate has been issued in pursuance of sub-articles (1) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the name of the Member to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued and the necessary charges indicated in the Register of Members by suitable cross reference in the "Remarks" column.

(4) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(5) The Managing Director or the Executive Director of the Company for the time being or if the Company has no Managing Director or the Executive Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of the Share certificate referred to in sub-article (4) of this Article.

(6) All books referred to in sub-article (5) of this Article, shall be preserved in good order permanently.

30. Any two or more joint allottees or holders of shares shall, for purpose of Article 28 be treated as a single Member and the certificate of any share, which may be the subject of joint, ownership, may be delivered to anyone of such joint owners on behalf of all of them.

Joint Allottees

31. A certificate of shares may be renewed or a duplicate issued in accordance with the provisions of the Act and the Companies (Issue of Share Certificates) Rules, 1960 and any modification thereof.

Renewal of share certificate

32. If any shares stands in the names of two or more persons, the person first named in the Register of Members or in the records of the Depository, shall be as regards receipt of dividends or bonus or service of notice and/or any other matter connected with the Company, except voting at the meeting and the transfer of the shares, be deemed the sole holder thereof, but the joint holders of a share shall be, severally as well as jointly, liable for the payment of all installments and calls due in respect of such share, and for all incidental expenses thereof according to these Articles.

The first named joint holder deemed sole holder

33. (1) The Company shall not be bound by or be compelled in any way to recognize any equitable, contingent, future or partial interest in any share, or (except only as is by these presents otherwise expressly provided) any other right in respect of a share other than an absolute right thereto, in accordance with these presents in the person from time to time registered as the holder thereof., But the Board shall be at liberty at its sole discretion to register any share in the joint names of two or more persons or the survivors of them.

Company not to bound to recognize any interest in share other than registered holder

(2) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members or in the records of the Depository as the holder of any share as the absolute owner thereof, and accordingly shall not (except as ordered by a court of competent jurisdiction or as by law required), be bound to recognize any benami, trust or other claim or claims or right to or interest in such shares on the part of any other person whether or not it shall have express or implied notice thereof.

34. (1) Notwithstanding anything herein contained, a person whose name is at any time entered in the Register of Members or in the records of the Depository of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such a share, shall, within such time and in such form as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in the manner provided in Section 187-C of the Act.

Declaration of beneficial interest

(2) A person who holds a beneficial interest in a share or a class of shares of the Company shall, within thirty days from the commencement of Companies (Amendment) Act, 1974 or within thirty days after his becoming such beneficial owner, whichever is later, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members or in the records of the Depository of the Company and such other particulars as may be prescribed as provided in Section 187-C of the Act.

(3) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall within thirty days from the date of such change, make a declaration to the Company, in such form and containing such particulars as may be prescribed as provided in Section 187-C of the Act.

(4) Notwithstanding anything contained in these Articles, where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members or in the records of the Depository and file within thirty days from the date of receipt of the declaration, a return in the prescribed form with the Registrar with regard to such declaration.

35. (1) Notwithstanding anything contained in these Articles, every holder(s) of shares in or; Nomination of holder(s) of debentures in or holder(s) of fixed deposit in the Company, holding singly or jointly, may at any time, nominate a person in the prescribed manner to whom the shares fixed deposits

Nomination of shares/ debentures / fixed deposits

and/or the interest of the Member in the capital of the Company or debentures or fixed deposits of the Company shall vest in the event of his/her death. Such Member may revoke or vary his/her nomination, at any time, by notifying the same to the Company to that effect. Such nomination shall be governed by the provisions of Section 109A and 109B of the Act or such other regulations governing the matter from time to time.

(2) Where the nominee is a minor, the holder of the shares or debentures or fixed deposits of the Company, can make a nomination in the manner prescribed under the Act, to appoint any person to become entitled to the shares or debentures or fixed deposits of the Company in the event of the death of the holders of the shares/debentures/fixed deposits during the minority of the nominee.

36. (1) Notwithstanding anything contained in these Articles, any person who becomes a nominee by virtue of the provisions of Article 33 upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either

Rights of nominees

(a) to be registered himself as holder of the share(s) and/or debenture(s), as the case may be; or

(b) to make such transfer of the share(s) and/or debenture(s) as the case may be, as the deceased shareholder and/or debenture-holder, as the case may be, could have made.

(2) If the person being a nominee, so becoming entitled, elects himself to be registered as holder of the share(s) and/or debenture(s); as the case may be, he shall deliver or send to the Company, a notice in writing duly signed by him stating that he so elects and such notice shall be accompanied with the death certificate(s) of the deceased shareholder and/or debenture-holder, as the case may be.

(3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of share(s) and/or debenture(s) shall be applicable to any such notice or transfer as aforesaid as if the death of the shareholder/debenture-holder had not occurred and the notice or transfer were signed by that shareholder and/or debenture-holder, as the case may be.

(4) A person, being a nominee, becoming entitled to the share(s) and/or debenture(s) by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he was the registered holder of the share(s) and/or debenture(s), except that he shall not, before being registered as a Member in respect of his share(s) or debenture(s) 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 persons to elect either to be registered himself or to transfer the share(s) and/or debenture(s) and if the notice is not complied with, within ninety days, the Board may thereafter withhold payment of all dividends bonuses or other monies payable in respect of the share(s) and/or debenture(s), until pre requirements of the notice have been complied with.

Who can be a holder of shares

37. Shares may be registered in the name of an incorporated company or other body corporate but not in the name of a minor or in the name of a person of unsound mind or in the name of any firm of partnership.

UNDERWRITING AND BROKERAGE

38. The company may, subject to the provisions of Section 76 and other applicable provisions if any of the Act, at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) or in consideration of his procuring or agreeing to procure subscriptions (whether absolutely or conditionally) for any share in, or debentures of the Company, but so that the commission shall not exceed in the case of shares, five percent 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. The commission may be satisfied by the payment of cash or by allotment of fully or partly paid shares or debentures or partly in one way and partly in the other.

Commission may be paid

Brokerage

39. The Company may pay a reasonable sum for brokerage on any issue of shares and debentures.

INTEREST OUT OF CAPITAL

40. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period at the rate and subject to the conditions and restrictions contained in Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building, or the provision of the plant.

Interest may be paid out of capital

CALLS

41. The Board of Directors may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it may think fit upon the Members in respect of all moneys unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments.

Directors may make calls

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

Calls to be made on uniform basis

43. Fifteen days notice in writing at least of every call payable otherwise than on allotment shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid. Provided that the Board may, at its discretion, revoke the call or postpone it. Notice of calls
44. A call shall be deemed to have been made at the time when the resolution of the Board authorising such calls was passed at the meeting of the Board of Directors, and may be made payable by the Members on the Register of Members or in the records of the Depository on a subsequent date to be fixed by the Board. Calls to date from resolution
Directors may extend time
45. The Board of Directors, may from time to time, at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members, who, on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension, but no Member shall be entitled to such extension as of right except as a matter of grace and favour.
46. If any Member fails to pay any call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory upon the Board of Directors to demand or recover any interest from any such Member. Sums deemed to be calls.
47. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
48. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any debt or any money claimed to be due to the Company it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members or in the records of the Depository as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book; and that the notice of such call was duly given to the Member or his representatives sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made, was duly convened or constituted, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. Proof on trial of suit for money due on shares
49. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of these shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such share as hereinafter provided. Partial payment not to preclude forfeiture.
50. The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums actually called up, and upon the moneys so paid in advance, or upon so much thereof as from time to time and at any time thereafter exceeds the amount of the calls then made and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest at such rate as the Member paying the sum in advance and the Board may agree upon, provided always that at any time after the payment of any such money so paid in advance it shall be lawful for the Board from time to time to repay such Member so much of such money as shall exceed the amount of the calls made upon such shares unless there be an express agreement to the contrary, and after such repayment such Member shall be liable to pay and such shares shall be charged with the payment of all further calls as if no such advance had been made: The Member making such advance payment shall not, however, be entitled to dividend or to participate in profits or to any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable. Payment in anticipation of calls may carry interest

FORFEITURE, SURRENDER AND LIEN

51. If any Member fails to pay any call or installment of a call in respect of any share on or before the day appointed for the payment of the same, or any such extension thereof, the Board may, at any time thereafter, during such time as the call or installment remains unpaid serve a notice on such Member or on the person (if any) entitled to the share by transmission requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. If money payable on shares not paid notice to be given to Members
52. The notice shall name a day (not being earlier than the expiry of fourteen days from the date of service of the notice) and a place or places on and at which such money, including the call installment and such interest and expenses as aforesaid, is to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the call was made or installment was payable, will be liable to be forfeited. Form of notice
53. If the requisitions of any such notice as aforesaid are not complied with, every or any share in respect of which the notice has been given may at any time thereafter, before the calls or installments and interest and expenses due in respect thereof are paid, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonus declared or any other moneys payable in respect of the forfeited shares and not actually paid before forfeiture. If default of payment of shares to be forfeited
54. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members or in the records of the Depository provided however that the failure to give the notice of the share having been forfeited will not in any way invalidate the forfeiture. Notice of forfeiture to a Member
55. Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot Forfeited share to be the property of the Company and may be sold etc.

or otherwise dispose of the same in such manner as it thinks fit.

56. The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof as a matter of grace and favour but not as of right, upon such terms and conditions, as it may think fit.
57. Any Member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay, and shall forthwith pay to the Company on demand all calls, installments, interest and, expenses owing, upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of forfeiture until the payment, at such rate not exceeding fifteen per cent per annum as the Board may determine and the Board may enforce the payment of such moneys .or any part thereof if it think fit, but shall not be under any obligation so to do.
58. The forfeiture of a share shall involve extinction, at the time of forfeiture, 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 are by these Articles are expressly saved.
59. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debt, liabilities or engagements and the residue (if any) shall be adjusted by the Board as it may deem fit.
60. A certificate in writing signed by two Directors and countersigned by the Managing Director or the Secretary of the Company that the call in respect of a share was made and notice thereof given, and default in payment of the call was made and that the forfeiture was made by a resolution of the Board to that effect, shall be conclusive evidence of the file stated therein as against all persons entitled to such share.
61. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the shares is sold or disposed of and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share. Any such purchaser or allottee shall not (unless by express agreement to the contrary) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchases or allotment nor shall be entitled (unless by express agreement to the contrary) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing purchase or before such allotment. Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall has title to the share be affected by any irregularity or invalidity in the proceedings with reference to the forfeiture, sale, re-allotment or disposal of the share.
62. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member. in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.
63. The provisions of these Articles as to forfeiture shall apply to the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
63. The Board may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any Member desirous of surrendering the same on such terms as the Board may think fit.
64. 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 held solely or jointly with others) and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that Article 33 hereof is to have full effect.
- Any such lien shall extend to all dividends and bonuses and their accretions 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 Board may, at any time, declare any share to be wholly or in part exempt from the provisions of this Article.
65. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize a member of the board to execute the transfer thereof on behalf of and in the name of such member. No sale shall be made until such time fixed as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such Member, his heirs, executors, administrators or other legal representatives, as the case may be, and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for fourteen days after the date of such notice.
66. The net proceeds of any such sale shall be received, by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall be paid to such Member, his heirs, executors, administrators or other legal representatives as the case may be.
67. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members or in the records of the Depository in respect of the shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
68. Where any shares under the powers in that behalf herein contained are sold, re-allotted or otherwise disposed off by the Board of Directors after forfeiture or for enforcing a lien, the certificate or Certificates

originally issued in respect of the relative shares (unless the same shall voluntarily or on demand by the Company have been previously surrendered to the Company by the defaulting Member) stand cancelled and become null and void and of no effect and the Board of Directors may issue a duplicate or new certificate for such shares distinguishing it from the certificate or certificates previously issued in respect of the said shares in such manner as it may think fit.

69. Any money due from the Company to a Member may without the consent and notwithstanding the objection of such Member, be applied by the Company in or towards the payment of any money due, from him to the Company for calls or otherwise.

Adjustment money due from Company

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

70. The Company shall keep a book to be called "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share or security held in material form.
71. Subject to the provisions of the Act, and these Articles, no transfer of shares in, or debentures of the Company shall be registered, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate relating to the shares or debentures or if no such certificate is in existence, along with the letter of allotment of the shares or debentures. The instrument of transfer shall be accompanied by such evidence as the board may require to prove the title of Transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the board. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.
72. The instrument of transfer shall be in writing in the usual common form and all the provisions of Section 108 of the Act and any statutory modifications thereof for the time being shall be duly complied with, in respect of all transfer of shares and of the registration thereof.
73. The Board shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the Office of the Company is situate to close the Transfer Books, the Register of Members or Register of Debenture holders, at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year.
74. (1) Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contract (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Transfer of shares / debentures in whatever lot shall not be refused.
- (2) Registration of a transfer shall not be refused on the ground of the transferor being, either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares.
75. No shares shall in any circumstances be allotted or transferred to any minor, insolvent or person of unsound mind.
76. (1) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee.
- (2) Where the application is made by the transferor and relates to partly paid up shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
- (3) For the purpose of clause (2) hereof notice to the transferee shall be deemed to have been duly given if it is despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and will be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
77. If the Company refuses to register the transfer of any shares or transmission of any right therein, the Company shall within two months from the date on which the instrument of transfer or the intimation of transmission as the case may be, was lodged with the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be and thereupon the provisions of Section 111 of the Act or any statutory modification thereof for the time being in force shall apply.
78. Nothing in these Articles shall prejudice any power of the Company to register as shareholder any person to whom the right to any share of the Company has been transmitted by operation of law.
79. Every instrument of transfer duly executed and stamped shall be left at the office for registration accompanied by the Certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.
80. All instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Board declines to register shall on demand be returned to the person depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company after such period not being less than six years as it may determine.

Register of Transfers

Transfer form to be completed and presented to the Company

Form of transfer

Transfer books & Register of Members when closed.

Directors may refuse to register transfer

Refusal on account of lien on shares

Special grounds of refusal of transfer

Application for Transfer

No transfer to minor etc.

Notice of application when to be given

Mode of notice

Notice of refusal to be given to transferor and transferee

Transmission by operation of law

To be executed by transferor and transferee

Preservation of transfer forms

81. The Board may after giving not less than seven days previous notice by advertisement as required by Section 154 of the Act, close the Register of Members or in the records of the Depository or the Register of Debenture holders for any period or periods not exceeding in the aggregate 45 (forty-five) days in each year, but not exceeding 30 days at any one time.
82. In the case of death of any one or more of the persons named in the Register of Members or in the records of the Depository as joint shareholders of any share, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estates of a joint shareholder from any liability to the Company on shares held by him jointly with any other person.
83. Subject to Article 82, the heir, executor, or administrator of a deceased shareholder shall be the only person recognized by the Company as having any title to his shares and the Company shall not be bound to recognize such heir, executor or administrator unless such heir, executor or administrator shall have first obtained probate or letters of administration or succession certificate.
84. Subject to the provision of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence as the Board thinks sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him, approved by the Board, registered as the holder, provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the share.
85. The Board shall, subject to the provisions of the Article 74 hereof have the same right to refuse to register a person entitled by transmission to any share, or his nominee, as if he were the transferee in any ordinary transfer presented for registration.
86. Every transmission of shares shall be verified in such manner as the Board may require and, if the Board so desires, be accompanied by such evidence as may be thought necessary and the Company may refuse to register any such transmission until the same be so verified or requisite evidence produced or until or unless an indemnity be given to the Company with regard to such registration which the Board at its absolute discretion shall consider sufficient, provided, nevertheless that there shall not be obligation on the Company or the Board to accept any indemnity.
87. A transfer of a share in the Company of a deceased Member thereof made by his legal representatives shall, although the legal representative is, not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
88. The certification by the Company of any instrument of transfer of shares in or debentures of the Company, shall be taken as representation by the Company to any person acting on the faith of the certification that there have been produced to the Company such documents as on the face of them show a prime facie title to the shares or debentures in the transferor's name in the instrument of transfer, but not as a representation that the transferor has any title to the shares or debentures.
89. 1) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer or transmission of shares made or purporting to be made by apparent legal owner thereof as shown or appearing in the Register of Members or in the records of the Depository to the prejudice of persons having or claiming any equitable right, title to or interest in the same shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.
- 2) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

Closure of Register of Members or Register of Debenture holders

Death of one or more joint shareholders of shares

Title to shares of deceased Member

Registration of persons entitled to shares other than by transfer

Refusal to register nominee

Verification of transmission of shares

Transfer by legal representatives

Certification of transfer of shares or debentures

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

JOINTHOLDERS

90. Subject to the provisions of the Act, the Board may refuse to transfer a share or shares in the joint names of more than four persons.
91. Where more than one person is registered as the holder of any share the person first named in the Register of Members or in the records of the Depository as one of the joint holders of share shall be deemed the sole holder for matters connected with the Company subject to the following and other provisions contained in these Articles:
- (a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments, which ought to be made in respect of such share.
- (b) On the death of any such joint holder the survivors shall be the only person or persons recognized by the Company as having any title to the shares but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
- (c) Any one of the several persons who is registered as joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

Not more than four

Joint Holders

- (d) Only the person whose name stands first in the Register of Members or in the records of the Depository as one of the joint holders of any shares shall be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in these Articles) from the Company and any documents served on or sent to such person shall be deemed service on all the joint holders.
- (e) Any one or two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the Register of Members or in the records of the Depository in respect of such shares shall alone be entitled to vote in respect thereof but the others of the joint holders shall be entitled to be present at the meeting provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased Member in whose (deceased Member's) sole name any share stands shall, for the purpose of this Article be deemed joint holders.

CONVERSION OF SHARES INTO STOCK

- 92. The Board may by an ordinary resolution in general meeting, convert any paid up share into stock; and when any shares shall have been converted into stock, the several holders of such stock may thenceforth, transfer their respective interests therein, or any part of such interest, in the same manner and subject to the same regulation as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid-up shares of any denomination. Shares may be converted into stock
- 93. The stock shall confer on the holders thereof respectively the same rights, privileges and advantages as regards participation in the profits and voting at meetings of the Company and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages, except participation in the profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of consolidated stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares. The Company may at any time re-convert any such stock into fully paid up shares of any denomination. Rights of stockholders

DEMATERIALISATION OF SECURITIES

- 94.1) Either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996, as amended from time to time or any statutory modification thereof or reenactment thereof. Dematerialisation of securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing securities / rematerialize its securities held in the depository and /or off securities in a dematerialized form pursuant to the Depositories Act and the rules framed thereunder, if any.
- 2) Every person subscribing to or holding securities offered by the Company shall have the option to receive 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 a manner provided by the Depositories Act, and he shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the company. 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 to the Beneficial Owner or the transferee as the case may be the required security certificates. Options for investors

If 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 the information, the Depository shall enter in its record the name of the allottees as the Beneficial Owner of the security.
- 3) All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners. Securities in Depositories to be in fungible form
- 4) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be Registered Owner for the purpose of effecting transfer of ownership of the security on behalf of the Beneficial Owner. Rights of Depositories and Beneficial Owners

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

(c) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to 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 which are held by a Depository.

- 5) Notwithstanding anything to the contrary contained in the Act or these Articles, where 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 or discs.
- 6) (a) Nothing contained in Section 108 of the Act of these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.
- (b) Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the depository through a participant, the company shall cancel such certificate and substitute in its records the name of depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.
- (c) In the case of transfer or transmission of shares, or other marketable securities where the Company has not issued any certificates and where such share or securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.
- 7) Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant securities thereof to the Depository immediately on allotment of such securities.
- 8) Nothing contained in the Act or these Articles regarding the necessity for having certificate number/distinctive numbers for securities issued by the Company shall apply to securities held by a Depository.
- 9) The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.
- 10) 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 information as above make appropriate entries in its records and shall inform the Company. The Company shall within 30 days of the receipt of information 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.

Service of Document

Transfer of Securities

Allotment of Securities dealt with in a Depository
Certificate number and distinctive numbers of Securities held
Register and Index of Beneficial Owners

Rematerialisation of Securities.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

95. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Company to every Member at his request within seven days of the request on payment of the sum of Rupee One for each copy.

Copies of Memorandum and Articles of Association to be sent by the company to Members

BORROWING POWERS

96. Subject to the provisions of Sections 58A, 292 and 293 of the Act, the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board, accept deposits from Members either in advance of calls or otherwise borrow and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such moneys without the consent of the Company in General Meeting.
97. Subject to the provisions of the previous Article the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by a resolution passed at a meeting of the Board (and not by circular resolution) including by the issue of 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 and debenture, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Power to borrow

The payment or repayment of moneys to be borrowed

Terms of issue of debentures

Register of Mortgage etc., to be kept

Register of index of debenture holders

98. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing; allotment of shares and attending (but not voting) at general meetings appointments of Directors and otherwise. Debentures with right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a Special Resolution in accordance with Section 81(3) of the Act.
99. The Board shall cause a proper register to be kept in accordance with the provisions of Section 143 of the Act, of the mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with so far as they fall to be complied with by the Board.
100. The Company shall if at any time if it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 152 of the Act. The Company shall have the power to keep in any State or country outside India a Branch Register of Debentureholders resident in that State or country.
101. Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the company together with the certificate or certificates of the debentures.
102. Subject to the provisions of Section 111 of the Act, the Board may at its own absolute and uncontrolled discretion, and without assigning any reason decline to register or acknowledge any transfer of debentures.

Instrument of Transfer.

Director may refuse to register transfer.

SHARE WARRANTS

103. The Company may issue share warrants subject to and in accordance with the provisions of Sections 114 and 115 of the Act; and accordingly the Board may in its discretion, with respect to any share which is fully paid up, on an application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the persons signing the application, and on receiving the certificate (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant..
- Power to issue share warrants
104. (a) The bearer of the share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members or in the records of the Depository as the holder of the share included in the deposited warrant.
- Rights of warrant holders
- (b) Not more than one person shall be recognized as depositor of the share warrant.
- (c) The Company shall, on two day's written notice return the deposited share warrant to the depositor.
105. (a) Subject as herein otherwise expressly provided, no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.
- Restrictions and rights of warrant holders
- (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members or in the records of the Depository, as the holder of the share included in the warrant and he shall be the Member of the Company.
106. The Board may from time to time make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction of an existing warrant.
- Issue of renewal warrant

MEETING OF MEMBERS

107. (a) Subject to the provisions of Sections 166 and 210 of the Act, the Company shall in each year hold a General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year provided that not more than fifteen months shall elapse between the date of Annual General Meeting of the Company and that of the next, subject however to the right of the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any annual general meeting may be held.
- Annual General Meeting
- (b) Every annual general meeting shall be, called for at a time during business hours on a day that is not a public holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town or village in which the Registered Office of the Company is situated and the notices calling the meetings shall specify it as the Annual General Meeting.
- (c) Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor.
108. The Company shall in accordance with Section 159 of the Act, within sixty days from the day on which the Annual General Meeting is held, prepare and file with the Registrar a return, in the form set out in Schedule V to the Act, or as near as thereto as the circumstances shall admit and containing the particulars specified in the said the Schedule V. Three copies of the balance sheet and the profit and loss account laid before the Annual General Meeting shall be filed by the Company with the Registrar in accordance with Section 220 of the Act.
- Annual Return
109. The general meeting referred to in Article 107 shall be called and styled as an annual general meeting and all meetings other than the annual general meeting shall be called extraordinary general meeting.
- Extraordinary General Meeting by Board and by requisitionists
- The Board may, whenever it thinks fit, call an extraordinary general meeting of the Company and it shall also call such a meeting on the requisition of the holders in writing by any member or members holding in the aggregate not less than one tenth of the paid up issued capital of the Company as at that date carries the right of voting in regard to that matter upon which all calls or other sums then due have been paid, forthwith proceed to convene an extraordinary general meeting of the Company, and in case of such requisition the provisions of Section 169 of the Act shall apply. No shareholder or shareholders shall call a meeting of the Company except by or upon a requisition as herein provided.
111. Any valid requisition made by Members must state the object or objects of the Meetings proposed to be called and must be signed by the requisitionists and be deposited at the office. The requisition may consist of several documents in like form each signed by one or more requisitionist.
- Requisition of members to state object of meeting called by requisition
112. Any meeting called under the foregoing Article by the requisitionists shall be called in same manner, as nearly as possible, as that in which meetings are to be called by the Board.
113. (1) A general meeting of the Company may be called by giving not less than twenty one days notice in writing;
- Notice of meeting
- (2) A general meeting may be called after giving shorter notice than that specified in sub clause (1) hereof if consent is accorded thereto;
- (i) in case of an annual general meeting, by all the Members, entitled to vote thereat and;
- (ii) in case of any other meeting by Members of the Company holding not less than ninety five percent of such part of the paid up share capital of the Company as gives a right to vote at

that meeting. Provided that where any Members of the Company are entitled to vote only on some resolutions to be moved at the meeting and not on the others, those Members shall be taken into account for the purpose of this sub-clause in respect of the former resolution or resolutions and not in respect of the latter.

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| 114. (1) | Every notice of the meeting of the Company shall specify the place and the day and hour of the meeting, and shall contain a statement of the business to be transacted thereat. | Contents and manner of service of notice |
| (2) | Notice of every meeting of the Company shall be given: | |
| | (i) to every Member of the Company, in any manner authorized by subsections (1) to (4) to Section 53 of the Act; | |
| | (ii) to the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignee of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming, to be so entitled, or, until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and | |
| | (iii) to the Auditor or Auditors for the time being of the Company in any manner authorized by Section 53 of the Act in the case of any Member or Members of the Company. | |
| | (iv) PROVIDED that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the Registered Office of the Company under sub-section (3) of Section, 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company. | |
| (3) | The accidental omission to give notice to or non-receipt of notice by any Member or other person to whom it should be given shall not invalidate the proceedings at the meeting. | |
| (4) | Every notice convening a meeting of the Company shall state that a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a Member of the Company. | |
| 115. | All business to be transacted at an Annual General Meeting with the exception of business in relation to (i) the consideration of the accounts, balance sheet and the reports of the Board of Directors and Auditors (ii) the declaration of the dividend (iii) the appointment of directors in place of those retiring, and (iv) the appointment of and the fixing of the remuneration of auditors, and all business to be transacted at any other meeting of the Company shall be deemed "Special". | |
| Special and ordinary business | Where any items of business to be transacted at any meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting an explanatory statement setting out all material facts concerning each item of business including in particular the nature and extent of the interest if any, therein, of every Director and of the Managing Director and specifying 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. | |
| Explanatory statement | PROVIDED that where any such item of special business at the meeting of the Company relates to or affects any other Company, the extent of shareholding interest in that other Company of every Director and the Manager; if any, of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than 20 percent of the paid up share capital of that other Company. | |
| 117. | No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business, which has not been specifically mentioned in the notice upon which it is convened. | Notice of business to be given |
| 118. | Five Members entitled to vote and present in person shall be quorum for a general meeting. When more than one of the joint holders of the share is present not more than one of them shall be counted for determining the quorum. Several executors or administrators of a deceased person in whose sole name, a share Stands shall, for the purpose of this Article, be deemed joint holders thereof. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 the Act. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if he is represented in accordance with Section 187A of the Act. | Quorum at general meeting |
| 119. | No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business. | Quorum required at commencement |
| 120. | If within half an hour from the time appointed for holding the meeting of a Company a quorum is not present the meeting if convened by or called upon the requisition of Members shall stand dissolved, but in any other case, it shall stand adjourned to the same day in the next week, at the same time and place or if the day is a public holiday until the next succeeding day in the next week which is not a public holiday, or to such other day, time and place in the city or town in which Office of the Company is for the time being situate, as the Board may determine. | If quorum not present meeting to be dissolved or adjourned |
| 121. | If at the adjourned meeting, a quorum is not present within half an hour from the time appointed for holding the meeting, the Members present shall be a quorum and may transact the business for which the meeting was called. | Quorum at adjourned meeting |
| 122. | A 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. | Validity of resolution |
| 123. (a) | The Chairman of the General Meeting with the consent of members may adjourn the same from, time t | Adjournment procedure |

time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

- (b) 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.
- (c) Save as aforesaid, it shall be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

124. The Chairman of the Board, and, in his absence, the Vice-Chairman of the Board, shall preside as Chairman at every general meeting, annual or extra-ordinary. If there be no Chairman or Vice Chairman of the Board or if neither of them is present within fifteen minutes after the time appointed for holding such meeting, the Directors present may choose one of their Member to be Chairman and in default of doing so the Members present shall choose one of the Directors to, be Chairman and if no Director present be willing to take the chair shall, on a show of hands, elect one of them to be Chairman of the meeting. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and these Articles, and the Chairman elected on a show of hands shall, for that meeting, exercise all the powers of the Chairman under the provisions. If as a result of the poll, some other person is elected Chairman, he shall be the Chairman for the rest of the meeting.
125. No business shall be discussed at any general meeting except the election of the Chairman while the Chair is vacant.
126. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting, shall be discussed nor put to vote until the same has been proposed by a Member present and entitled to vote at such meeting and seconded by another Member present and entitled to vote at such meeting.
127. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded as provided in these Articles.
128. A declaration by the Chairman that on a show of hands, a resolution has or has not been carried, or has been carried unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the vote cast in favour of or against such resolution.
- 129.(1) Before or on the declaration of the result of the voting on any resolution on a show of hands, poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy an holding shares in the Company which confer a power to vote on the resolution, not being less than or tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up.
- If a poll is demanded as aforesaid the same shall subject to the above Article be taken at such time(not later than forty eight hours from the time when the demand was made) and place in the city or town in which the office of the Company is for the time being situate and either by open voting or by ballot as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded.
- (2) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
130. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not exceeding 48 (forty-eight) hours from the time when the demand was made, as the Chairman of the meeting may direct.
131. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the votes given on the poll, and to report thereon to him. The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of the scrutineer arising from such removal or from any other cause. Of the two scrutineers so to be appointed, one shall always be a Member (not being an officer or employee of the Company) present at the meeting, provided such a Member is available and willing to be appointed.
132. The demand for a poll except on the question of the election of Chairman or of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
133. In the case of equality of votes the Chairman shall, both on a show of hands and on a poll, have a second casting vote in addition to the vote or votes to which he may be entitled as a Member.
134. (a) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.
- (b) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

VOTES OF MEMBERS

135. No Member shall be entitled to vote either personally or by proxy at any general meeting or meetings of a class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien.
136. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every Member present in person shall have one

vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference shareholders be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87 of the Act., he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

- Casting of votes by a Member entitled to more than one vote

137. On a poll taken at a meeting of the Company, a Member entitled to more than one vote, or his proxy or other person entitled to vote for him as the case may be, need not, if he votes use all his votes or cast in the same way all the votes he uses.
- How members non compos mentis and minor may vote

138. Without prejudice to Article 135 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 legal guardian may, on a poll, vote by proxy. If any Member be a minor, the vote' in respect of his share or shares shall be by his guardian, or anyone of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.
- 139. If there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a Member or not) to act as his proxy in respect of such shares, as if he were solely entitled thereto, but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint-holders be present at any meeting, then one of the said persons so present whose name stands higher on the Register shall alone be entitled to be present at the meeting; Several executors or administrators of a deceased Member in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

Votes of Joint holders
- 140. Subject to the provisions of these Articles, vote may be given either personally or by an attorney or by proxy. A body corporate being a Member may vote either by proxy or by a representative duly authorized in accordance with Section -187 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise it if it were an individual Member.

Voting in person or by proxy
- 141. Any person entitled under Article 84 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were, the registered holder of such shares provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Votes in respect of shares of deceased and insolvent Member
- 142. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointee or his attorney, or if such appointer is a corporation, under the common seal of such corporation, or be signed by an officer or any attorney duly authorized by it, and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.

Appointment of proxy
- 143. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof, or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

Proxy either for specified meeting or for a period
- Proxy to vote only on a poll

144. A Member present by proxy shall be entitled to vote only on a poll.
- Deposit of instrument of appointment

145. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority shall be deposited at the Registered Office not later than forty-eight hours before the time for holding the meeting or adjourned, meeting at which the person named in the instrument proposed to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
- Form of proxy

146. Every instrument of proxy whether for a specified meeting or otherwise shall as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.
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 revocation of the proxy or of attorney under which such proxy was signed, or the transfer of the share in respect of which the proxy vote is given, provided that no intimation in writing of the death of insanity, revocation or transfer shall have been received at the Registered Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Validity of votes given by proxy not withstanding death of Member
- Time for objections to vote

147. No objection shall be made to validity of any vote except at any meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy not disallowed at such meeting or poll shall be deemed valid for all purpose of such meeting or poll whatsoever.
- Chairman of the meeting to be the judge of validity of any vote

148. The Chairman of any meeting shall be the judge of the Validity of every vote tendered at a meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
- 150. Notwithstanding anything contained elsewhere in these articles and subject to the provisions of the Section 192A of the Companies Act, 1956, read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, a listed public company, may and in case of resolutions relating to such business, as the Central Government may by notification, declare to be conducted only by Postal Ballot instead of transacting the business in a general meeting of the Company personally. A resolution assented by the majority of the shareholders by means of a Postal Ballot shall be deemed to be have been duly passed at the General Meeting convened in that behalf. "Postal Ballot" includes voting by electronic mode. "Postal ballot" shall have the same meaning as defined under the Companies (Passing of Resolution by Postal Ballot) Rules, 2001 read with the provisions under Section 192A of the Act.

- Minutes of general meeting and inspection thereof by Members
151. (a) The Company shall cause the minutes of all proceedings of every general meeting to be kept by making within thirty days of the conclusion of every such meeting concerned entries thereof in books kept for that purpose with their pages consecutively numbered.
- (b) Every page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books, shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or, in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.
- (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. .
- (e) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meeting.
- (f) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting is or could reasonably be regarded as defamatory of any person or it is irrelevant or immaterial to the proceedings or it is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (g) Any such minutes shall be evidence of the proceedings recorded therein.
- (h) The book containing the minutes of the proceedings of General Meetings shall be kept at the Registered Office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

DIRECTORS

152. Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and more than twelve. Number of Directors
153. The Directors of the Company at the date of adoption of the Articles are:
- Directors
1. Mr. Pramod Maheshwari
 2. Mr. Om Prakash Maheshwari
 3. Mr. Nawal Kishore Maheshwari
 4. Mr. Ram Swaroop Chaudhary
 5. Mr. Pawan Kumar Lalpuria
 6. Mr. Pritam Kumar Goswami
154. Subject to the provisions of Sections 260, 262, 264 and 284(6) of the Act and subject to these Articles the Directors shall have power at any time and from time to time to appoint any other qualified person as a Director either to fill casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him. Appointment of Directors
155. Whenever the Company enters into an agreement or contract with the Central or State Government, local authority, bank or financial institution, or any person or persons (hereinafter referred to as "The appointer") for borrowing any money or for providing any guarantee or security or for underwriting shares or debentures or other securities of the Company, the Board shall have, subject to the provisions of Section 255 of the Act, the power to agree that such appointee shall have if and to the extent provided by the terms of such agreement or contract, the right to appoint or nominate by a notice in writing addressed to the Company, one or more Directors on the Board, for such period and upon such conditions as may be mentioned in the agreement or contract and that such Director as Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Board may also agree that any such Director or Directors may be removed from time to time by the appointee, entitled to appoint another or others in his or their place and also fill any vacancy held in that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed, by the other Directors of the Company, including payment of remuneration and traveling and other out of pocket expenses to such Directors, as may be agreed by the Company with the appointer. Power to appoint ex-officio Directors
156. If it is provided by the Trust Deed securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a person herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. . Debenture Directors
157. A Director need not hold any qualification shares. Qualification of Directors
158. The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Directors") during his absence for a period of not less than three months from the date in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to that state. If the term of office of the Original Director is determined before he returns to that State, any provisions in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall Alternate Director.

apply to the Original Director and not to the Alternate Director.

159. The Board may allow and pay to any Director who is not a bona fide resident of the place where the meetings of the Board or committee thereof are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified, and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.
160. The Board on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any office or place of profit, salaried or otherwise, with the Company, or to his widow or dependents and may make contributions to any fund such as provident fund and pay premiums for the purchase or provision of any gratuity, pension or allowance."
161. The continuing Director may act notwithstanding any vacancy in the Board, but if and so long as a number is reduced below the quorum fixed by the Act or by these Articles 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.
162. (1) Every Director of the Company who is in any way whether directly or indirectly concerned or interested in any contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of Directors in the manner provided in Section 299(2) of the Act;
- (2) (a) In the case of a proposed contract or arrangement the disclosure required to be made by the Director under clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration or if a Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.
- (b) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
- (3)(a) For the purpose of clause (1) and (2) hereof, a general notice given to the Board by a Director to the effect that he is a Director or a 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 that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made.
- (b) Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time, by a fresh notice in the last month of the financial year in which it would otherwise have expire.
- (c) No such general notice and no renewal thereof shall be effective unless either it is given at a meeting of the Board, or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
- (d) Nothing in this Article shall apply to any contract or arrangement entered into between two companies when anyone of the Directors of the Company or two of them together holds or hold not more than two percent of the paid up share capital in the other company.
163. No director of the Company shall, as a Director, take 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 the contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote his vote shall be void, provided however, that a Director may vote on any contract of indemnity against any loss which the Directors or anyone or more of them may suffer by reason of becoming or being sureties or surety for the Company.
164. A Director of the Company or his relative, a firm in which such Director or relative is partner, any other partner in such firm or a private company of which the Directors is a Member or Director shall not enter into contract with the Company, except to the extent and subject to the provisions of the Act.
165. The Company shall keep a Register in accordance with Section 301(1) of the Act, and shall within the time specified in Section 301(2) of the Act enter therein such of the particulars as may be relevant having regard to the application thereto of Section. 297 or Section 299 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms for which notice has been given by him under Article 162(3). The Register shall be kept at the Office of the Company and shall be open to inspection at such office, and, extracts may be, taken therefrom and copies thereof may be required by any Member of the Company to, the same extent, in the same manner and on payment of the same fee as in the case of the Register of Members or in the records of the Depository of the Company and the Provisions of Section 163 of the Act shall apply accordingly.
166. A Director may be or become a Director of any Company promoted by the Company, or in which he may be interested as a Vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 309(6) or Section 314 of the Act may be applicable.
167. (a) The Company shall keep at its Office a Register of Directors, Managing Director/s, Manager and Secretary

Travelling expenses incurred by Director not a bona fide resident or by Director going out on Company's business

Retirement benefit of Directors

Directors may act not withstanding any vacancy

Director may contract with Company

Interested Directors not to participate in Board's proceedings

Contract with relative of Directors etc.

Register of Contracts in which Directors are interested

Directors may be Directors of companies promoted by the Company

Register of Directors etc. and notification of change to Registrar

containing the particulars as required by Section 303 of the Act, and shall send to the Registrar a return in the prescribed form containing the particulars specified in the said register and shall notify to the Registrar any change among its Directors, managing Directors, Manager and Secretary or any of the particulars contained in the register as required by Section 303 of the Act.

- (b) The Company shall also keep at its office a Register in respect of the shares and/or debentures of the Company held by its Directors, as required by Section 307 of the Act and shall otherwise duly comply with the provisions of the said section in all respects.

Register of shares or debentures held by Directors

- 168.(a) Every Director (including a person deemed to be a Director by virtue of the explanation to sub-section (1) of Section 303 of the Act), Managing Director, Manager or Secretary of the Company shall within 20 days of his appointment to any of the above offices in any other body corporate or relinquishment of such office as the case may be, disclose to the Company of the aforesaid particulars relating to his office in the other body corporate which are required to be specified under sub-section(1) of Section 303 of the Act..

Disclosure by Director of appointment to any body corporate

- (b) Every Director and every person deemed to be a Director of the company by virtue of sub-section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that section.

Disclosure by a Director of his holdings of shares and debentures of the Company

RETIREMENT AND ROTATION OF DIRECTORS

- 169(1) At every annual general meeting of the Company, one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office. The Debenture Director or any Director appointed under Article 155 and the Managing Director for the time being, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire.

Retirement of Directors

The Directors to retire by rotation at every annual general meeting shall be those who have been longest in the office since their last appointment but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

Rotation of Directors

- (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 who shall be eligible for re-appointment or some other person thereto.

Eligibility for re-election

- (4) If the place of the retiring Director is not filled up and the meeting has not expressly resolved not to fill the vacancy the meeting shall stand adjourned till the same day in the next week at the same time and place or if that is a public holiday, till the next succeeding day which is not a public holiday at the same time and place. If at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless:

Provisions in default of appointment

- (i) at the meeting or at the previous meeting, a resolution for the reappointment of such Director has been put to vote 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 re appointed, . .
- (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 of the provisions of the Act, or
- (v) the proviso to sub-section(2) of Section 263 of the Act is applicable to his case.

- 170 (1) No motion at any general meeting of the Company shall 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.

Appointment of Directors to be voted individually

- (2) A resolution moved in contravention of clause (1) shall be void whether or not objection was taken at the time of its being so moved, provided that where a resolution so moved is passed no provision for the automatic re-appointment shall apply.

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

- 171.(1) A person who is not a retiring Director shall, subject to the provisions of the Act be eligible for appointment to the office of Director at any general meeting if he or some Member intending to propose him has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand, signifying his candidature for the office, of Director or the intention of such Members to propose him as a candidate for that office as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or as the case may be, to such Member, if the person succeeds in getting elected as a Director:

Notice of candidature of office of Director except in certain cases

- (2) The Company shall inform its Members of the candidature of a person for the office of Director or the intention of Member. to propose such persons as a candidate for that office, by serving individual notice on the Members not less than seven days before the meeting.

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

- (3) Every person proposed as a candidate for the office of Director shall sign and file with the Company his consent to act as a Director if appointed and every person other than a Director re-appointed after retirement by rotation shall not act as a Director of the Company unless he has within 30 days of his appointment, signed and filed with the Registrar, his consent in writing to act as such Director.

172. A Director may at any time give notice in writing of his intention to resign by addressing it to the Board of Directors of the Company and delivering such notice to the Secretary or leaving the same at the Registered Office of the Company and thereupon his office shall be vacated.

Resignation of Directors

REMOVAL OF DIRECTORS

- 173 (a) The Company may by ordinary resolution remove a Director not being Nominee Director appointed under Article 155 or a Debenture Director appointed under Article 156 and not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office.
- (2) Special notice shall be required of any resolution to remove a Director under this Article or to appoint somebody instead of a Director so removed at the meeting at which he is removed,
- (3) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (4) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are received by it too late for it to do so:
- (a) in any notice of the resolution given to the Members of the Company, state the fact of the representations having been made; and
- (b) send a copy of the representations to every Member of the Company to whom the notice of the meeting is sent (whether before or after receipt of the representation by the Company) and if a copy of the representation is not sent as aforesaid, because they were received too late or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting, provided that copies of the representations need not be sent out and the representations need not be read out - at the meeting, if on the application, either of the Company or of any other person who claims to be aggrieved, the Central Government is satisfied that the right conferred by this sub-clause are being abused to secure needless publicity for defamatory matter; and the Central Government may order the Company's costs on the application to be paid in whole or in part by the Director notwithstanding that he is not a party to it.
- (5) A vacancy created by the removal of a Director under this Article may if he had been appointed by the Company in general meeting or by the Board under Article 154 hereof be filled by the appointment of another Director in his stead by the meeting at which he is removed provided special notice of the intended appointment has been given. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.
- (6) If the vacancy is not filled up under clause (5) hereof it may be filled as a casual vacancy in accordance with the provisions, so far as they may be applicable under Article 154 hereof and all the provisions of that Article, shall apply accordingly. Provided that the Director who is removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.
- (7) Nothing contained in this Article shall be taken
- (a) as depriving a person removed thereunder of any compensation or damages payable to him in respect of any termination of his appointment as Director, or
- (b) as derogating from any power to remove a Director which may exist apart from this Article.

Removal of Directors

PROCEEDINGS OF DIRECTORS

174. (a) The Board of Directors may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it may think fit.

Meetings of Directors

A meeting of the Board of Directors shall be held at least once in every three months and at least four such meetings shall be held in every year.

Period of meetings

The Chairman, if any, or, in his absence, the Vice Chairman, if any, of the Board of Directors may at any time, and the Managing Director, if any, or the Secretary on the requisition of a Director, shall summon a meeting of the Board.

When meeting to be convened

Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

Notice of meetings

175. (a) Subject to Section 287 of the Act the quorum for a meeting of the Board shall be one third of the total strength of the Board (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in the one third being rounded off as one), or two Directors whichever is higher; provided that were at any meeting the number of interested Directors

Quorum

exceeds or is equal to two third of the total strength, the number of the remaining Directors, that is to say the number of the Directors who are not interested and are present at the meeting being not less than two shall be quorum during such time.

- (b) for the purpose of clause (a)
- (i) "Total strength" means the total strength of the Board of the Directors of the Company as determined in pursuance of the Act, after deducting therefrom the number of Directors if any, whose places may be vacant at that time, and
 - (ii) "Interested Director" means any Director whose presence cannot by reason of Article 163 hereof or any other provisions in the Act, count for the purpose of forming a quorum at a meeting of the Board at the time of discussion or vote on any matter.

176. Subject to the provisions of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes of the Directors present and entitled to vote thereat. and in case of equality of votes, the Chairman of the meeting shall have a second or casting vote.

Questions at Board meetings how decided

177. (1) The Board may from time to time elect from amongst their member, a Chairman of the Board and may elect also a Vice Chairman of the Board each of whom shall hold office until as decided by the Board.
- (2) The Chairman and, in his absence, the Vice Chairman, shall preside at all meetings of the Board and each of them shall perform such other functions as are assigned to them respectively under the Articles.
- (3) If neither Chairman nor Vice Chairman be present within fifteen minutes after the time appointed for holding a Board meeting Directors present may choose one of their member to be the Chairman of the meeting.

Chairman

Powers of Board meetings

178. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of, the authorities, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.

Directors may appoint Committees

179. Subject to the restrictions contained in Section 292 of the Act, the Board may delegate any of its powers to a Committee of the Board consisting of such members or member of its body or any other person as it thinks fit and it may from time to time revoke and discharge any such committee of the Board either wholly or in part. Any such Committee of the Board so formed, shall in the exercise of the power so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such, regulations and in fulfillment of the purposes of their appointment, but not otherwise shall have the like force and effect as if done by the Board.

Meeting of Committee how to be governed

180. The meeting and proceedings of any such Committee of the Board consisting of two or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

Acts of Board or Committee valid not withstanding defect in appointment

181. All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or Committee or person acting as aforesaid or that they or any of them were or was disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated. Provided that nothing in this Article shall be deemed to give validity to acts, done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

182.(1) No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft together with the necessary papers if any, to all the Directors or to all the Members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case, may be) and to all other Directors or Members of the Committee at their usual address in India and has been approved by such of the Directors or members of the Committee as are then in India, or by a majority of such of them as are entitled to vote on the resolution.

Circular Resolution

(2) A resolution passed by circular without a meeting of the Board or of a Committee of the Board shall subject to the provisions of sub-clause(1) hereof be as valid and effectual as a resolution duly passed at a meeting of the Board or of the Committee duly called and held.

POWERS OF THE BOARD

183. (1) Subject to the provisions of the Act and these Articles the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise and do.

Powers of Board

Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other Act or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in general meeting.

Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in this behalf in the Act or in any other Act or in the Memorandum of Association or in any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in general meeting.

(2) 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.

184. The Board shall not, except with the consent of the Company in general meeting:

- (a) sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantial the whole of any such Undertaking.
- (b) Remit or give time for the repayment of any debt due by a Director;
- (c) invest otherwise than in trust securities .the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a) of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.
- (d) borrow moneys where- the moneys to be borrowed. together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course. of business) will exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose provided further that the powers specified in Section 292 of the Act, shall subject to these Articles be exercised only at meeting of the Board unless the same be delegated to the extent therein stated or
- (e) Subject to Section 293A and 293B of the Act, contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will in any financial year shall not exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding .

Certain powers to be exercised by Members consent

185. (1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meetings of the Board; .

Certain powers to be exercised by the Board only at meetings

- (a) the power to make calls on shareholders in respect of money unpaid on their shares;
- (b) the power to issue debentures;
- (c) the power to borrow moneys otherwise than on debentures;
- (d) the power to invest funds of the Company;
- (e) the power to make loans;

Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors, Managing Director or any other principal officer of the Company or in the case of branch office of the Company, a principal officer of the branch office, the powers specified in (c), (d) and (e) of this clause to the extent specified below:

- (2) every resolution delegating the power referred to in sub-clause (1)(c) shall specify the total amount outstanding at any one time upto which the moneys may be borrowed by the delegate.
- (3) every resolution delegating the power referred to in sub-clause (1)(d) shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.
- (4) every resolution delegating the power referred to in sub-clause (1)(e) shall , specify the total amount upto which loans may be made by the delegate, the purpose for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.
- (5) nothing in this Article contained shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on exercise by the Board of any of the powers referred to in sub-clauses (a), (b), (c), (d) and (e) of clause (1) above.

186. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity against any loss which the Directors or anyone or more of them may suffer by reason of becoming or being sureties or surety for the Company.

Indemnity may be given

187. Without prejudice to the general powers conferred by Article 183 and the other powers conferred by these Articles and Section 291 of the Act, so as not in any way to limit or restrict those powers but subject however to the provisions of the Act, it is hereby expressly declared that the Board shall have the following powers:

Certain powers of the Board

- (1) To pay the costs, charges and expenses incurred preliminary and incidental to the promotion, establishment and registration of the Company.
- (2) Subject to the Section 292 and 297 of the Act, to purchase or otherwise acquire for the Company any property movable or immovable, rights and privileges which the . Company is authorized to acquire at or for such price or consideration and generally on such terms and conditions as it may think fit, and in any such purchase or other acquisition to accept such tide as the Board may believe or may be advised to be reasonably satisfactory.
- (3) At its discretion and subject to the provisions of the Act, to pay for any property, rights and privileges, acquired by or for services rendered to the Company, either wholly or partially in cash or in shares. bonds, debentures, debenture-stock or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as fully paid up thereon as may be agreed upon and any such bonds, debentures, debenture-stock, or other securities may be either, specifically charged upon all or any part of the property of the Company including its

- uncalled capital or not so charged.
- (4) To Secure the fulfillment of any contracts, agreements or engagements entered into, by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as it may think fit.
 - (5) To appoint and its discretion, remove or suspend, such managers, secretaries, assistances, supervisors, officers, clerks, agents and employees, for permanent, temporary or special services as it may from time to time think fit and to determine their powers and duties and fix their salaries, emoluments or remuneration and to require security in such instances and of such amounts as it may think fit. And also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit.
 - (6) To accept from any Member subject to the provisions of the Act a surrender of his share or any part thereof on such terms and conditions as shall be agreed.
 - (7) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company, any property belonging to the Company or in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.
 - (8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due or any claims or demands by or against the Company, and to refer any differences to arbitration and observe the terms of any awards made therein either according to Indian law or according to foreign law and either in India or abroad and observe, and perform or challenge an award made therein.
 - (9) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
 - (10) To accept deposits from Members and public and to make and give receipts releases and other discharges for money payable to the Company and for the claims and demands of the Company.
 - (11) To open and operate Bank Accounts to determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, hundis, bills of exchange, negotiable instruments, leases, and related documents, dividend warrants, interest warrants, releases, contracts and documents and to discount, endorse or co-accept bills and to give the necessary authority for such purpose.
 - (12) Subject to the provisions of the Act and these Articles from time to time to provide for the management of the affairs of the Company in any specified locality whether in India or abroad in such manner as it may think fit, and may establish any branches, local boards, or agencies for managing any of the affairs of the Company in any specified locality and may appoint any person to be Members of such local boards or any managers or the attorneys or agents of the Company for such purposes and with such powers, authorities and discretions for such period and subject to such conditions as the Board may from time to time think fit and may fix their remuneration and may delegate to such persons (including the power to sub delegate) all or any of the powers, authorities and discretions for the time being vested in them.
 - (13) Subject to the provisions of the Act and these Articles to invest and deal with the moneys of the Company not immediately required for the purpose thereof in or upon such security (not being shares in this Company) or without security and in such manner as it may think fit, and from time to time to vary or realize such investments. Save as provided in the Act all investments shall be made and held in the Company's own name.
 - (14) To execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur, any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as it thinks fit and any such mortgages may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
 - (15) To distribute by way of bonus amongst the staff of the Company a share or shares, in the profits of the Company and to give to any Director, Officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission on the profits of any particular business or transaction as a part of working expenses of the Company.
 - (16) To provide for the welfare of the Directors or Ex-Directors or, of employees or ex-employees of the Company and the wives, widows and families or the dependents or connected with, such, persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, gratuity, annuities, allowances, bonuses, or other payments or by creating and from time to time subscribing or contributing to provident fund and other associations, institutions, funds of trust and by providing or subscribing or contributing towards' places of instruction or recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.
 - (17) To subscribe, incur, expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, political or any other institutions or subjects which shall have any moral or other claim to support or aid, by the Company, either by reason of locality of operation or of public and general utility or otherwise.
 - (18) Before recommending any dividend, to set aside out of the profits of the Company such sums as it thinks proper for depreciation or to a depreciation fund, to an insurance fund or as a reserve

- fund or sinking fund or any special fund to meet contingencies to repay debentures or for debenture-stock, or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the last two preceding clauses) as the Board of Directors may in its absolute discretion think conducive to the interest of the Company and subject to Section 292 and 293 of the Act to invest the several sums to set aside or so much thereof as, is required to be invested upon such investments (other than shares of this Company) as it may think fit and from time to time to deal with and vary such, investments and dispose of and apply and expend all or any part thereof for the benefit, of the Company in such manner and for such purposes as the Board of Directors, in its absolute discretion thinks conducive to the interests. of the Company, notwithstanding that the matters to which the Board of Directors applies or upon which it expends the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide any reserve fund into such special funds as the Board of Directors may think fit with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund and with full power to employ the assets constituting all or any of the above funds including the depreciation fund, in the business of the Company or in the purchase or repayment of debentures or debenture-stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power however to the Board of Directors at its discretion to pay or allow to the credit of such funds interest at such rates as the Board of Directors at its discretion to pay or allow to the credit of such funds interest at such rates as the Board of Directors may think proper.
- (19) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 76 and 208 of the Act and of the provisions contained in these presents.
- (20) From time to time to make, vary and repeal bye-laws for regulation of the business of the Company, its officers and servants.
- (21) To redeem redeemable preference shares.
- (22) Subject to the provisions of the Act and these Articles for: or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to. enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as it may expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.
- (23) To undertake by branch or kind of business which the Company is expressly or by implication authorized to undertake at such time or times as it shall think fit and to keep in abeyance any such branch or kind of business even though it may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.
- (24) To enter into partnership and without prejudice to the generality and in any way restricting or limiting the powers otherwise legally exercisable by the company under the Indian Partnership Act, 1932, or statutory modification thereof or any other enactment, law, rule, custom regulating or dealing therewith, the company is hereby specifically empowered to enter into partnership with any person who can legally enter into partnership including a Body Corporate to carry on any one or more of the object/s for which the company is established or which the company is or will in future by specific power or by implication or necessity will be entitled to carry on. Provided, however, the power vested in the company can be exercised only subject to the provision of the Companies Act, 1956 and after providing such necessary provision, restriction, permission or covenant in the deed of partnership as are necessary so that the company can not be said to have violated or not complied with the provisions of the Companies Act, 1956 through the Act of the firm or the help of partner.
- (25) To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper all or any of the building, plant, machinery, vessels, vehicles, goods, stores, produce and all other moveable and immoveable property of the Company either separately or conjointly and to assign surrender or discontinue any policies of insurance affected in pursuance of this power.
- (26) To delegate all or any of the powers, authorities, discretions for the time being vested in the Director's to any employee's of the Company or to any other persons, firm or body corporate or otherwise to any fluctuating body of persons.

MANAGING OR WHOLE-TIME DIRECTORS

188. Subject to the provisions of Section 269 and other applicable provisions of the Act and these Articles, the Board of Directors may from time to time appoint one or more of their body to be Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company for a term not exceeding five years at a time for which he or they is or are to hold such office and may from time to time remove or dismiss him or them from office and appoint another or others in his or their place or places.

Board may
appoint
Managing
Director(s) or
Whole-time
Director(s)

189. Subject to the provisions of the Act and these Articles a Managing Director or the Whole time Director shall not while he continues to hold that office be subject to retirement by rotation in accordance with Article 169(2) . If he ceases to hold the office of the Director he shall ipso facto and immediately cease to be a Managing Director.. He shall not be taken into account in determining the Directors liable to retire by rotation or the number of Directors to retire, but he shall subject to the terms of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors Of the Company.

What
provisions
they will be
subject to

- 190.(1) The remuneration of a Managing Director or Managing Directors or Whole-time Director or Whole-time Directors (shall subject to Section 309 to 311 and other applicable provisions, of the Act and of these Articles and of any contract between the Company and him or them as also subject to the approval of the Company in general meeting) be fixed by the Directors from time to time and may be by way of a fixed salary and/or commission or in any other mode and may be in addition to the remuneration for attendance at the Board Meetings and any other remuneration which may be provided under any other clause. Remuneration of Managing or whole-time Director(s)
- (2) The Directors may from time to time subject to the provisions of the Act entrusted to or confer upon the Managing Director or Managing Directors or Whole-time Director or Whole-time Directors for the time being such of the powers exercisable by the Directors under these presents or by law as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they may think expedient, and they may confer such powers either collectively with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. Powers and duties of Managing Directors and or Whole-time Directors
- 191.(1) Subject to the provisions of the Act, a Managing Director or a Director who is in the whole-time employment of the Company may be paid remuneration either by way of monthly payment or at a specified percentage of the net profits of the Company or Partly by one way and partly by the other. Method of remuneration
- (2) Subject to the provisions of the Act a Director other than any Director appointed under Articles 155 and 156 who is neither in the whole-time employment nor a Managing Director may be paid remuneration:
- (i) by way of monthly quarterly or annual payment with the approval of the Central Government or;
- (ii) by way of commission if the Company by a Special Resolution authorises such payment.
- (3) The fee payable to a Director (including a Managing or Whole-time Director, if any) for attending a meeting of the Board or Committee thereof shall be, the maximum sitting fee as may be prescribed by, the Central Government under Section 310 of the Act as applicable to the Company at any given time.
- (4) If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as Member of any committee formed by the Directors), the Board may arrange with such Directors for such special remuneration for such extra services or special exertions either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided. Special remuneration to Directors
192. The Managing Director or Managing Directors shall not exercise the powers to:
- Restriction on management
- (a) make calls on shareholders in respect of money unpaid on the shares of the Company,
- (b) issue debentures, and
- (c) except as may be delegated by the Board under Section 292 of the Act, invest the funds of the Company, or make, loans or borrow moneys.
193. The Company shall not appoint or employ or continue the employment of any person as its Managing Director or whole-time Director who:
- Certain persons not to be appointed as Managing Directors
- (a) is an un-discharged insolvent or has at any time been adjudged insolvent;
- (b) suspends or has at any time suspended, payment to his creditors or makes or has any time made composition with them;
- (c) is or has at any time been convicted by a court of an offence involving moral turpitude
194. Subject to the provisions contained in the Act, the Company shall make payment to a Managing Director or to a Whole-time Director by way of compensation for loss of office or as compensation for retirement from such office or in connection with such loss or retirement from office except in Cases specified in Section 318(3) and such payment shall be subject to the limit specified in Section 318(4) of the Act. Compensation for loss of office
- THE MANAGER
195. When the Company has no Managing Director; and subject to the provisions of the Act, the Board of Directors may from time to time appoint a Manager within the meaning of clause (24) of Section 2 of the Act, who, subject to the superintendence, control and direction of the Board of Directors, may be entrusted with the management of the whole or substantially the whole of the affairs of the Company and whose appointment shall be subject to Sections 269 and 387 of the Act and shall be governed by Sections 198, 310, 311, 317, 349, 350 and 388 and other applicable provisions, if any, of the Act. Manager
- THE SECRETARY
196. The Board may from time to time appoint and at its discretion remove any individual (hereinafter called "the Company Secretary") to perform any functions, which by the Act are to be performed by the Company Secretary and to execute any other ministerial or administrative duties which may from time to time be assigned to the Company Secretary by the Board. The Board may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company The appointment of Secretary shall conform to the provisions of the Act. Secretary

CONTRACTS AND DEEDS

197. Contract on behalf of the Company may be made as follows:

How contracts
to be made

1. Any contract which if made between private persons would by law be required to be made in writing, signed by the parties to be charged therewith, may be made on behalf of the Company in writing and signed by two Directors or by a duly constituted attorney of the Company and may in the same manner be varied or discharged.
2. Any contract which if made between private persons would by law be valid although made by parole only and not reduced into writing may be made by parole on behalf of the Company by any Director acting under authority or by the duly constituted attorney of the Company and may in the same manner be varied or discharged.

198. Any deed of instrument other than a mere contract purporting to be made by or on behalf of the Company shall be executed as follows :

Execution of
deeds

The Common Seal of the Company shall be affixed to the deed or instrument in the presence of two of the Directors of the Company in token of the execution of the deed or instrument by the Company and the deed shall also be signed by two Directors of the Company for and on behalf of the Company. Provided that a deed of instrument to be executed by or on behalf of the Company may be executed by its constituted attorney as provided in the Article 200.

199. A Bill of Exchange, Hundi or Promissory Note, a cheque or any other negotiable instrument shall be deemed to have been made, drawn, accepted endorsed or negotiated by or on behalf of the Company if made, drawn, accepted, endorsed or negotiated in the name of or by or on behalf of or on account of the Company by any two Directors. acting under authority or by the constituted attorney of the Company authorised in this behalf.

Bills of
Exchange and
other
negotiable
instruments

200. The Company may by writing under its Common Seal affixed in the presence of two of its Directors empower any person or, persons whether generally or in respect of any specified matters as its attorney to execute deeds and instrument on its behalf in any place either in or outside India and every deed and instrument signed by sum attorney on behalf of the Company and under its seal where sealing is required shall bind the Company and have the same effect as if it were under the Common Seal of the Company.

Execution of
deeds by an
attorney

THE SEAL

201. The Board of Directors shall provide a common seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and shall provide for the safe custody of the seal for the time being and the seal shall never be used except by the authority of the Board or a Committee of the Board previously given by it in that behalf.. Every deed or other instrument to which the Seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney of the Company, be signed at least by one Director and countersigned by some other person appointed by the Board for the purpose, provided nevertheless that certificates of shares or debentures may be sealed and signed in the manner and in conformity with the provisions of the Companies (Issue of Share Certificates). Rules, 1960.

The Seal, its
custody and
use

202. The Company may, subject to the provisions of Section 50 of the Act, have for use in any territory, district or place not situated in the. Union of India, an official seal which shall be a facsimile of the common seal of the Company with the addition on its face of the name of the territory, district or place where it is to be used. .

Foreign Seal

203. The following provisions shall apply on the Company having a foreign seal under the preceding Article:

- (i) The Company shall, by a document under its common seal, authorise any person appointed for the purpose in that territory, district or place to affix the official seal to any deed or other documents to which the Company is a party in that territory, district or place.
- (ii) The authority of any agent under the preceding clause shall, as between the Company and any person dealing with the agent, continue during the period if any mentioned in the document conferring the authority, or if no period is therein mentioned, until notice of the revocation or determination of the agent's authority, has been given to the person dealing with him.
- (iii) The person affixing any such official seal, shall, by writing under his hand, certify on the deed or other document to which such a seal is affixed, the date on which and the place at which such seal is affixed.
- (iv) A deed or other document to which an official seal is duly affixed shall bind the Company as if it had been sealed with the Common Seal of the Company.

Use of Foreign
Seal

MINUTES

204. (a) The Company shall cause minutes of all proceedings of every General Meeting and of all proceedings of every meeting of its Board of Directors or of every Committee of Board to be kept in the manner required by the Act in the form of a binder containing loose leaves as prescribed by the Central Government and the provision of the Act will apply accordingly.

Minutes

- (b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

- (e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (f) The minutes shall also contain –
 - (i) the names of the Directors present at the meetings;
 - (ii) in the case of each resolution passed at the meeting, the names of the Directors, of any, dissenting from, or not concurring with the resolution.
- (g) Nothing contained in sub-clause (a) to (f) shall be deemed to required the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting –
 - (i) is, or could reasonably be regarded as, defamatory of any person.
 - (ii) is, irrelevant or immaterial to the proceedings; or
 - (iii) is detrimental to the interests of the Company.
 The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.
- (h) Minutes of meeting kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

DIVIDENDS

205. The profits of the Company which it shall from time to time determine, subject to any special rights relating thereto created or authorized to be created by these Articles and subject to the provisions of the Act, in respect of any year or other period, shall be applied first in paying the fixed preferential dividend on the capital paid up on the preference shares if any and secondly in paying a dividend declared for such year or other period on the capital paid up on the equity shares.
206. No amount paid or credited as paid on the shares in advance of calls shall be treated as capital paid up on the shares.
However, any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared.
207. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank, for dividend accordingly.
208. The Company in general meeting may subject to the provisions of the Act declare a dividend to be paid to the Members according to their respective rights and interests in the profits and may fix the time for payment.
209. No larger dividend shall be declared than is recommended by the, Board but the Company in general meeting may declare a smaller dividend.
210. (1a) No dividend shall be payable except out of the profits of the Company arrived at as laid down in the Act and out of profits of the financial year arrived at after providing or depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both, provided that:
- (i) If the Company has not provided for depreciation for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
 - (ii) If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act or against both.
- (b) Notwithstanding anything contained in sub-clause (a) hereof, no dividend shall be declared or paid for any financial year out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act, except after the transfer to the reserves of the Company of such percentage of its profits for that year, not exceeding 10 per cent, as may be prescribed by the Act or by rules made thereunder.
 - (c) Nothing in sub-clause (b) hereof shall be deemed to prohibit the voluntary transfer by the company of a higher percentage of its profits to the reserves in accordance with the rules, if any, made by the Central Government.
 - (d) Where, owing to inadequacy or absence of profits in any year, the Company proposes to declared dividend out of the accumulated profits earned by the Company in previous year and transferred by it to the reserves, such declaration of dividend shall not be made except in accordance with the Rules, if any, made by the Central Government in this behalf under the Act, and where any such declaration is not in accordance with such rules, such declaration shall not be except with the previous approved of the Central Government.
- (2) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.
211. The Board of Directors may from time to time pay to the Members such interim dividend as in its judgement the position of the Company justifies.

Interim
dividend

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| 212. The Board may retain any dividends payable on shares on which the Company has lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. | Retention of dividends |
| 213. Any general meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount, as the meeting fixes but so that the call on each Member shall not exceed the dividend payable to him and so that the call may be made payable at the same time as the dividend and the dividend may if so arranged between the Company and the Member be set off against the calls. | Dividend and call together |
| 214. Any general meeting declaring a dividend or bonus may resolve that such dividend be paid wholly or in part by the distribution of specific assets, partly or fully paid up shares, or debentures or debenture-stock of the Company or in anyone or more of such ways and the Board shall give effect to the same and the Board may settle any difficulty in doing so in such manner as it may deem expedient. | Distribution of specific assets as dividend |
| 215. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer. | Effect of transfer of shares |
| 216. Subject to Section 205A the Board may retain the dividends payable upon shares in respect of which any person is under Article 83 entitled to become a Member or which any person under that Article is entitled to transfer; until such person shall become a Member; in respect of such shares or shall duly transfer the same. | Retention of dividends until completion of transfer |
| 217. No Member shall be entitled to receive payment of any interest of or dividend in respect of his own share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons subject to Section 205A and the Board may deduct from the interest or dividend payable to any shareholder all sums of money so due, from him to the Company. | No member to receive dividend whilst indebted to the Company and the Company's right of reimbursement thereof |
| 218. Unless otherwise directed any dividend payable in cash may be paid by cheque or warrant sent through the post directed to the registered address of the shareholder entitled to the payment of the dividend or in the case of joint shareholders to the registered address of that one whose name stands first on the Register of Members or in the records of the Depository in respect of the joint shareholding, or to such persons and to such address as the shareholder or the joint shareholders may in writing direct or on the basis of mandates received from the first named shareholder of the Company for credit in the bank account through Electronic Clearing Services operated by Commercial Banks. The Company shall not be responsible or liable for any cheque or warrant lost in transit or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means. The Company may, if it thinks fit, call upon the shareholders when applying for dividends or bonus to produce their share certificate at the registered office or other place where the payment of dividend is to be made. No unclaimed dividend shall be forfeited by the Board and the Company shall comply with all the provisions of Section 205A of the Act, in respect of all unclaimed or unpaid dividend. | Dividend how remitted |
| 219. The Company shall pay dividend or sent the warrant in respect thereof to the shareholder entitled to the payment of the dividend within thirty days from the date of the declaration the dividend unless: | When dividend to be paid |
| <ul style="list-style-type: none"> a) the dividend could not be paid by reason of the operation of any law or; b) a shareholder has given directions to the Company regarding the payment of dividend and these directions cannot be complied with, or; c) there is a dispute regarding the right to receive the dividend, or; d) the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder, or; e) for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company. | |
| 220. Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called unpaid dividend account of Career Point Infosystems Limited and transfer to the said account, the total, amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 years from the date of such transfer, shall be transferred by the company to a fund known as Investor Education and Protection Fund established under Section 205C of the Act. No unclaimed or unpaid dividend shall be forfeited by the Board. | |

CAPITALISATION

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|---|----------------|
| 221.(a) Any general meeting may, upon the recommendation of the Board, resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of the profit and loss account or of the reserve fund or any capital redemption reserve fund or in the hands, of the Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the Security Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportion on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund shall not be paid in cash but shall be applied subject to the provisions contained in this clause on behalf of such shareholders in full or towards: | Capitalisation |
| (1) paying either at par or at such premium as the resolution may provide any unissued shares or debentures or debenture-stock of the Company which shall be allotted, distributed and credited as fully paid up to and amongst such Members in the proportions aforesaid; or | |

- (2) paying up any amounts for the time being remaining unpaid on any shares, debentures or debenture-stock held by such Members respectively; or .
- (3) paying up partly in the, way specified in sub-clause (1) and partly in that specified in sub-clause (2) and that such distribution or payment shall be acceptable by such shareholders in full satisfaction of their interest in the said capitalised sum.
- (b) (1) Any moneys, investments or other assets representing premium received on the issue of shares and standing to the credit of share premium account, and,
- (2) If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may by resolution of the Company be applied only in paying up in full or in part of any new shares or any share then remaining unissued; to be issued to such Members of the Company as the general meeting may resolve upto an amount equal to the nominal amount of the shares so issued.
- (c) Any general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to the charge for income-tax be distributed amongst the Members on the footing that they receive the same as capital
- (d) For the purpose of giving effect to any such resolution the Board may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as it thinks expedient and in particular it may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any Members on the footing of the value so fixed or that fraction of less value than Rs.10/- may be disregarded in order to adjust the rights of all the parties, and may vest any such cash, share, debenture, debenture-stock, bonds or other obligation in trustees upon such trust for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board.
- (e) If and whenever any share becomes held by any Member in fraction the Board may subject to the provisions of the Act, and these Articles and to the directions of the Company in general meeting, if any, sell the shares which Members hold in fractions for . the best price reasonably obtained and shall pay and distribute to and amongst the , Members entitled to such shares in due proportion the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Board may authorise any person to transfer the shares sold to the purchaser thereof; Comprised in any such transfer and 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 by invalidity in the proceedings with reference to the sale.
- (f) Where required, a proper contract shall be delivered to the Registrar for registration in accordance with Section 15 of the Act and the Board may appoint any person to, sign such contract on behalf of the persons entitled to the dividend or capitalised fund and such appointment shall be effective.

ACCOUNTS

222. The Company shall keep and maintain at the office or at such other place in India as the Board thinks fit proper books of account in accordance with Section 209 of the Act with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which receipts and expenditure take place;
- (b) all sales and purchases of goods by the Company; and
- (c) the assets and liabilities of the Company.
223. (1) The books of account shall be kept at the Registered Office of the Company or at such other place, in India as the Board of Directors may decide, and when the Board of Directors so decide, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.
- (2) The books of account shall be open to inspection by any Director during business hours.
224. The Board of Directors shall from time to time determine whether and to what extent and at what times and place and under what conditions or regulations the documents of the Company or any of them shall be open to the inspection of Member and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Board of Directors or by a resolution of the Company in general meeting.
225. The Board of Directors shall from time to time in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be placed before the Company in general meeting, such balance sheets, profits and loss accounts and reports as are required by the Act.
226. A copy of every such profit and loss account and balance sheet so audited (including the auditor's report and every other document required by the Act to be annexed or attached to the balance sheet) shall at least twenty one days before the meeting at which the same are to be laid before the Members be sent to the Members of the Company, to holders of debentures issued by the Company (not being debentures which ex-facie are payable to the bearer thereof) to the trustees for the holders of such debentures and to all persons entitled to receive notice of general meetings of the Company.
227. Subject to the provisions of the Act, the Company may by Special Resolution in a general meeting amend, alter, vary, modify or effect changes in the accounts in respect of any earlier year or years, irrespective of the fact that these accounts are already adopted by the Company in any general meeting and the Company may also carry out the amendments in any other documents forming part of the Annual Accounts. Any such amendments, alterations, variations, modifications or changes made shall be deemed always to have been received, adopted and approved at the original Annual General Meeting of the Company, which had adopted these accounts etc.,

Directors to keep true accounts

Where books of accounts to be kept

As to inspection of accounts or books by Members

Statement of accounts to be furnished to general meeting
Copies shall be sent to each Member

Re-opening of Accounts.

AUDIT

- Accounts to be audited
228. Once at least in every year the, accounts of the Company shall be examined by one or more auditors who shall report to the shareholders as to whether the balance sheet reflects a true and fair view of the state of affairs of the Company as at that date and the profit and loss account discloses a true and fair view of the profit and loss account incurred by the Company during the year under review.
- Appointment of Auditors
- 229 (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Sections 224 to 233 of the Act.
- (2) The Company shall at each annual general meeting appoint an Auditor or Auditors to hold office from conclusion of that meeting until the conclusion of the next annual general meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed.
- PROVIDED THAT before any appointment or re-appointment is done by the Company, a written certificate shall be obtained by the Company from the Auditor or Auditors, to the effect that the appointment or re-appointment, if made, will be in accordance with the limits specified in Section 224(1B).
- (3) Subject to the provisions of Sections 224(1B) and 224A, at any annual general meeting, a Retiring Auditor by Whatsoever authority appointed Shall be re-appointed unless
- (a) he is not qualified for re-appointment;
- (b) he has given the Company notice in writing of his unwillingness to be re-appointed;
- (c) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or
- (d) where notice has been given of an intended resolution to appoint some person or persons in the place of a retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons, as the case may be, the resolution cannot be proceeded with.
- (4) Where at an annual general meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.
- (5) The Company shall, within seven days of the Central Government's power under the sub-clause (4) becoming exercisable, give notice of that fact to the Government.
- (6) The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in general meeting.
- (7) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring Auditor shall not be re-appointed.
- (A) All notice of and other communications relating to any general meeting of the Company which a member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company and the Auditor shall be entitled to attend any general meeting and to be heard at any general meeting which he attends on any of the business which concerns him as Auditor.
- (B) The Auditors Report shall be read before the Company in the Annual General Meeting and shall be open to inspection by any of the members of the Company.
- (C) Every balance sheet and profit and loss account of the Company when audited and adopted by the Company at an annual general meeting shall be conclusive provided that such balance sheet and profit and loss account and Board's Report may be amended at any time with the consent of the Company accorded by a special resolution.
- Account when audited and approved to be conclusive

DOCUMENTS AND NOTICES

- Service of documents or notices on Members by Company
- 230 (1) A document or notice may be given or served by the Company on any Member thereof either personally or by sending it by post to him to his registered address or if he has no registered address in India to the address, if any, within India supplied by him to the Company for the giving of notices to him.
- When notice may be given by advertisement
- (2) If a Member has no registered address in India and has not supplied to the Company and address in India for the giving of notice to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly given to him on the day on which such advertisement appears.
- Mode of service of notice
- (3) Where a document or notice is sent by post:
- (a) Service thereof shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document or the notice, provided that where a Member has intimated to the Company in advance that the documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner

intimated by the Member; and

(b) Such service shall be deemed to have been effected:

(i) In the case of a notice of a meeting at the expiration of forty eight hours after the letter containing the same is posted; and

(ii) In any other case, at the time at which the letter would be delivered in the ordinary course of post.

On Joint Holders

(4) A document or notice may be, served by the Company on the joint holders of a share by serving it on the joint holder named first in the Register of Members or in the records of the Depository in respect of the share.

(5) A document or notice may be served by the Company on the persons, entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased or assignees of the insolvent or by any like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied by serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.

On personal representative s etc.

(6) A certificate in writing signed by the Manager, Secretary or other officer or employee of the Company that the notice was properly addressed, prepaid and Posted shall be conclusive evidence thereof.

Certificate of conclusive evidence
How notice to be signed

(7) The signature to any document or notice to be given by the Company may be written or printed or lithographed.

231. A document may be served on the Company or an officer thereof by ending it to the Company or the Officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.

Service of documents on Company

232. A document may be served on the Registrar of Companies by sending it to him at his office by post under a certificate of posting or by registered post, or by delivering it to or leaving it for him, at his office.

Service of documents by Company on the Registrar
How time to be computed

233. Where a given number of days' notice or a notice extending over any other period, is required to be given, the day of service shall, unless it is otherwise provided counted in such number of days or other period.

234. Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company may be signed by a Director, Managing Director, the Manager, the Secretary or other authorised officer of the Company and need not be under the Common Seal of the Company.

Authentication of documents and proceedings

REGISTERS AND DOCUMENTS

235. The Company shall keep and maintain Registers, Books and Documents as required by the Act or these Articles, including the following:

Registers and documents to be maintained by the Company

(1) Register of Investments made by the Company but not held in its own name, as required by Section 49(7) of the Act, and shall keep it open for inspection by any Member of Debentureholder of the Company without charge.

(2) Register of Mortgages and Charges as required by Section 143 of the Act and copies of instrument creating any charge requiring registration according to Section 136 of the Act, and shall keep them open for inspection by any Creditor or Member of the Company without fee and for inspection by any person on payment of a fee of rupee one for each inspection.

(3) Register and Index of Members as required by Section 150 and 151 of the Act, and shall keep the same open for inspection by any Member or Debentureholder without fee and by any other person on payment of a fee of rupee one for each inspection.

(4) Register and Index of Debentureholders under Section 152 of the Act, and shall keep it open for inspection by any Member or Debentureholder without fee and by any other person on payment of rupee one for each inspection.

(5) Foreign Register, if so thought fit, as required by Section 157 of the Act, and it shall be open for inspection and may be closed and extracts may be taken therefrom and copies thereof as may be required, in the manner, mutatis mutandis as is applicable to the Principal Register.

(6) Register of Contracts, and Companies and firms in which Directors are interested as required by Section 301 of the Act, and shall keep it open for inspection by any Member free of charge.

(7) Register of Directors, and Secretary etc. as required by Section 303 of the Act, and shall keep it open for inspection by any Member of the Company without charge and by any other person on payment of a fee of rupee one for each inspection.

(8) Register as to holdings by Directors of shares and/or debentures in the Company as required by Section 307 of the Act, and shall keep it open for inspection by any Member or Debentureholder of the Company on any working day during the period beginning fourteen days before the date of the Company's annual general meeting and ending three days after the date of its conclusion.

(9) Register showing particulars of every investment or loan made, guarantee given or security provided to any body corporate as required by Section 372A of the Act.

(10) Books recording minutes of all proceedings of general meetings and all proceedings at meetings of its Board of Directors or of Committees of the Board in accordance with the provisions of Section 193 of the Act.

(11) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act.

236. The Registers mentioned in clauses 9 and 11 of the foregoing Article and the minutes to all proceedings of general meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner, to the same extent and on payment of the same fees as in the case of the Register of Members or in the records of the Depository of the Company, as provided for in clause (3) of the said Article copies of entries in the Registers mentioned in the foregoing Article shall be furnished to the persons entitled to the same on payment of thirty-seven paise for every hundred words or fractional part thereof required' to be copied. The Company shall give inspection of the above Registers to the persons entitled to the same on such days and during such business hours as may consistently with the provisions of the Act in that behalf be determined by the Company in general meeting.

Inspection
of
Registers

INDEMNITY AND RESPONSIBILITY

237. Subject to the provisions of Section 201 of the Act every Director, Manager and other Officer or any person (whether officer of the Company or not) employed by the Company, or as auditor, or servant of the Company shall be indemnified by the Company and it shall be the duty of the Board to payout of the funds of the Company all costs, charges, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or act or thing done by him as such officer or servant or in any way in the discharge of his duties including expenses and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Manager, officer or servant in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted by the Court.

Directors' and
others' rights
of indemnity

238. Subject to the provisions of the Act, no Director, Auditor or other Officer of the, Company be liable for the act, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss, or damage arising from bankruptcy; insolvency or tortious act of any person, firm or company to or with whom any moneys, securities or effects shall be entrusted or deposited .or for loss occasioned by 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 shall happen through his own dishonesty.

Director,
Officer not
responsible for
acts of others

WINDING UP

239. If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be so distributed, that, as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up 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 at the commencement of the winding up the excess shall be distributed amongst 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. But this Article is without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution of
assets

240.(1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a special resolution, divide amongst the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the Liquidator, with such sanction, shall think fit.

Distribution in
specie or kind

(2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined upon, any contributory who would be prejudiced thereby shall have a right to dissent as if such determination were a special resolution passed pursuant to Section 494 of the Act.

(3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall if practicable act accordingly.

241. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the Liquidator be distributed amongst the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.

Rights of
shareholders
in case of
sales

SECRECY CLAUSE

242. Every Director, Manager, Secretary, Auditor; Treasurer, Trustee, Member of a Committee, Agent, Officer, Servant, Accountant or other person employed in the business of the Company shall, when required sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by a court of law, or by the person to

Secrecy
clause

whom the matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

No member to enter the premises of the Company without permission

243. No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises or works of the Company without the permission of the Board or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in nature of a trade secret, mystery of trade, secret of process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board it would be inexpedient in the interest of the Company to disclose.

Provisions of Articles binding on Members

244. Each Member of the Company, present and future, is to be deemed to join the Company with full knowledge of all contents of these presents.

COMPROMISE AND ARRANGEMENTS

Compromise with creditors and members

245. The Company shall have the power to enter into a compromise or an arrangement, with its Members or any class of Members and with its creditors or any class of creditors and for the purposes of such compromise or arrangement, the Company shall observe and perform all the conditions of Section 391 of the Act and the provisions of Section 392 and 393 of the Act.

Reconstruction and amalgamation

246. The provisions of Section 394 and 395 shall apply to all proceedings for reconstruction of the Company or its amalgamation with another Company, Nothing herein contained shall in any manner prejudice the power of the Central Government to provide for amalgamation of the Company with another Company in national interest.

Part II

Notwithstanding anything to the contrary contained in the preceding Articles 2 to 246, the provisions of Article 247 to Article 265 contained in Part II of these Articles shall also apply and in the event of any inconsistency or contradiction between the provisions of Part I of these Articles and the provisions of Part II of these Articles, the provisions of Part II of these Articles shall override and prevail over the provisions of Part I of these Articles.

The termination of the SSHA or the ceasing of operation of certain articles under these Articles pursuant to the termination of the SSHA shall be without prejudice to any claim or rights of action previously accrued to the Company hereunder before such termination/ cessation. Upon the termination of the SSHA, the inconsistent Articles contained in Part I of these Articles shall cease to be subordinate to Part II of these Articles.

Notwithstanding the termination of SSHA, the provisions of the SSHA that are expressed to survive termination under the SSHA shall survive the termination of the SSHA.

247. Definitions

- (a) "Acceptance Notice" shall have the meaning as set forth in Article 250(3);
- (b) "Affiliate" shall mean with respect to any Person, any company, corporation, association or other entity, which, directly or indirectly, Controls, is Controlled by or is under common Control with, such Person;
- (c) "Agreed Merchant Bankers" shall have the meaning as set forth in Article 254(2);
- (d) "Alternate Director" shall have the meaning as set out in Article 248(2);
- (e) "Annual General Meeting" or "AGM" shall mean the annual general meeting of the Company convened and held in accordance with the Act;
- (f) "Applicable Law(s)" shall mean all laws, ordinances, statutes, rules, orders, decrees, injunctions, licenses, permits, approvals, authorisations, consents, waivers, privileges, by-laws, notifications, guidelines, policies, directions, directives, circulars and regulations of any Governmental Authority having jurisdiction over the Parties as such are in effect as of the date hereof or as may be amended, modified, re-enacted or revoked from time to time hereinafter;
- (g) "Articles of Association" or "Articles" shall mean the Articles of Association of the Company as amended from time to time;
- (h) "Board of Directors" or "Board" shall mean the board of directors of the Company in office at applicable times and as nominated and appointed in accordance with the terms of the Articles and the Act;
- (i) "Business Day" shall mean a day on which the scheduled commercial banks are open for business in Kota, Rajasthan and Mumbai, Maharashtra, India;
- (j) "Business Plan" shall mean the business plan approved by the Board outlining the business objectives, goals and annual budget of the Company ;
- (k) "Buy-back Consideration" shall have the meaning as set out in Article 256(1);
- (l) "Buy-back Notice" shall have the meaning as set out in Article 256(2);
- (m) "Buy-back Option" shall have the meaning as set out in Article 256(1);
- (n) "Buy-back Period" shall have the meaning as set out in Article 256(1);
- (o) "Call Option Notice" shall have the meaning as set out in Article 253(2);
- (p) "Client(s)" shall have the meaning as set out in the SSHA ;
- (q) "Client Transfer Deed" shall mean the deed in the form contained in the SSHA;

- (r) "Closing" shall mean collectively the activities envisaged in the SSHA;
- (s) "Closing Date" shall have the meaning as set out in the SSHA;
- (t) "Company" shall mean Career Point Infosystems Limited, a company incorporated under the Companies Act, 1956, having its registered office at 112B, Shakti Nagar, Kota, Rajasthan. The term Company shall, where the context so requires, be deemed to mean and include its successors in interest and permitted assigns;
- (u) "Competitor" shall mean a company operating in India which derives any of its income from any education business, it being clarified that when sought to be construed in relation to an Affiliate of the Investor, shall mean an Affiliate that owns and/or controls 51% or

- more of the total issued and paid up share capital of a company operating in India which derives any of its income from any education business;
- (v) "Control" (including with correlative meaning, the terms "Controlled by" and "under common Control" with) shall mean the power and ability to direct the management and policies of the controlled enterprise through ownership of voting shares of the controlled enterprise or by contract or otherwise;
- (w) "Debt: Equity ratio" shall mean the ratio of Total Debt to the total tangible net-worth;
- (x) "Deed of Adherence" shall mean the deed of adherence in the form contained in the SSHA;
- (y) "Depository" shall mean National Securities Depository Limited and/or Central Depository Services (India) Limited;
- (z) "Director" shall mean a director of the Company appointed in accordance with Article 248(1)(a) and the Act;
- (aa) "Drag Along Notice" shall have the meaning as set out in Article 257(3)(A);
- (bb) "Drag Along Price" shall have the meaning as set out in Article 257(3)(A);
- (cc) "Drag Along Right" shall have the meaning as set out in Article 257(2);
- (dd) "Drag Along Shares" shall have the meaning as set out in Article 257(2);
- (ee) "Drag Purchaser" shall have the meaning as set out in Article 257(3)(D)(i);
- (ff) "Drag Response Notice" shall have the meaning as set out in Article 257(3)(B);
- (gg) "Encumbrance" or "Encumber" shall mean and include (i) any mortgage, pledge, equitable interest, prior assignment, conditional sales contract, hypothecation, right of other Persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership; (ii) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer or refusal, or transfer restriction in favour of any Person; and (iii) any adverse claim as to title, possession or use;
- (hh) "Equity Shares" shall mean the equity shares of the nominal value of Rs.10/- each of the Company with 1 (one) vote per equity share;
- (ii) "Event of Default" shall have the meaning as set out in Section 22 of the SSHA;
- (jj) "Executive Management" shall mean the chief executive officer, the chief financial officer, the chief operations officer and whole time executive director(s), of the Company from time to time;
- (kk) "Exit" shall mean (i) any strategic sale or merger of the Company as specified in Article 255; and/or (ii) an IPO as specified in Article 254 ;
- (ll) "Exit Date" shall have the meaning as set out in Article 254(1);
- (mm) "Extra Ordinary General Meeting" or "EGM" shall mean the extra ordinary meeting of the Company convened and held in accordance with the Act;
- (nn) "Financial Statements" shall have the meaning as set forth in the SSHA;
- (oo) "Financial Year" shall mean the period commencing April 1 each year and ending on March 31 the next year, or such other period as may be determined by the Board of Directors of the Company to be the financial year;
- (pp) "FTPES" shall mean Franklin Templeton Private Equity Strategy;
- (qq) "General Meetings" shall mean either an EGM or an AGM of the Shareholders of the Company;
- (rr) "Governmental Authority" shall mean (a) any union, state, local, or other governmental, administrative, regulatory or self regulating authority or agency, having jurisdiction over the relevant matter, (b) any court, tribunal or administrative hearing body or authority or recognized stock-exchange, or (c) any other similar dispute resolving panel or body or authority;
- (ss) "INR" or "Rupees" or "Rs." shall mean Indian Rupees, being the lawful currency of India;
- (tt) "IRR" shall mean the "Internal Rate of Return" and shall be calculated using the XIRR function of Microsoft Excel Software application. In calculating the IRR, dividend received by the Investor by way of any cash outflow (net of applicable tax), shall be taken into consideration;
- (uu) "Investment Amount" shall have the meaning as prescribed in the SSHA and shall be adjusted as per provisions of Article 254(8) and Article 252, if applicable;
- (vv) "Investor" shall mean Franklin Templeton Asset Management (India) Pvt. Ltd., a company registered under the Companies Act, 1956, having its registered office at Wockhardt Towers, East Wing, Level 4, C-2 G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051, acting in its capacity as the portfolio manager of FTPES. The term Investor shall, where the context so requires, be deemed to mean and include its successors in interest and assigns;
- (ww) "Investor Adjustment Right" shall have the meaning as set forth in Article 254(8);
- (xx) "Investor Director" shall have the meaning set forth in the SSHA;
- (yy) "Investor Shares" shall mean 20,11,264 Equity Shares of par value of Rs. 10/- each issued to the Investor as per the terms of the SSHA and shall be adjusted as per provisions of Article 254(8) and Article 252, as applicable;
- (zz) "Investor Minimum Exit Amount" in relation to an IPO shall mean the amount that would provide the Investor an IRR of 16% per annum on the Investment Amount from the Closing Date to the date on which the Investor notifies the Sponsors in accordance with the terms of Article 254(8)(b)(ii) ;
- (aaa) "IPO" shall mean the initial public offering of Shares of the Company and consequent listing of the Shares of the Company on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited;
- (bbb) "Litigation" shall have the meaning as set forth in the SSHA;
- (ccc) "Liquidation Event" shall mean and include the liquidation, dissolution or winding up of the Company as well as a merger, acquisition, change of control, consolidation, or other transaction or series of transactions in which the Company's Shareholders prior to such transaction or transactions will not retain a majority of the voting power of the surviving entity, or a sale, lease, license or other transfer of all or substantially all of the Company's assets;
- (ddd) "Losses" shall mean all losses, liabilities, obligations, claims, demands, actions, fines, costs, expenses, royalties, deficiencies, damages, including interest and penalties with respect

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| | thereto and out-of-pocket expenses, including reasonable attorneys' and professional fees, and disbursements; |
| (eee) | "Management Services Agreement" shall mean any agreement executed between the Company with any educational societies/trusts in the form appended to the SSHA; |
| (fff) | "Material Effect" means any fact, condition, change or effect, the consequence of which is, will or is likely to adversely affect (i) the assets, business, valuation, liabilities, financial condition, results or operations or prospects of the Company; (ii) the Investor, its shareholding or proposed shareholding in the Company; (iii) the ability of the Parties to perform their obligations under the SSHA; (iv) the validity or enforceability of the SSHA or of the rights or remedies of the Investor thereunder; or (v) the status and validity of any intellectual property or contracts required for the Company to carry on its business; |
| (ggg) | "Memorandum of Association" or "Memorandum" or "MOA" shall mean the Memorandum of Association of the Company as amended from time to time; |
| (hhh) | "Observer" shall have the meaning set out in Article 248(1)(b); |
| (iii) | "Offer Price" shall have the meaning as set out in Article 250(2); |
| (jjj) | "Offered Shares" shall have the meaning set out in Article 250(2); |
| (kkk) | "Offered Tag Shares" shall have the meaning as set out in Article 251(4); |
| (lll) | "Official" shall mean in any jurisdiction any officer of a political party or candidate for political office, officer or employee (i) of a Governmental Authority or of the central, state or local government (including any legislative, judicial, executive or administrative department, agency or instrumentality thereof) or (ii) of a public international organization; |
| (mmm) | "Option Period" shall have the meaning as set out in Article 257(3)(B); |
| (nnn) | "Party or Parties" shall mean and refer to each of the Investor, Company and Sponsors; |
| (ooo) | "Person" shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity that may be treated as a person under Applicable Law; |
| (ppp) | "Preference Amount" shall have the meaning as set out in Article 260(a); |
| (qqq) | "Prohibited Payments" shall mean any offer, gift, payment, promise to pay or authorization of the payment of any money or anything of value, directly or indirectly, to or for the use or benefit of any Official (including to or for the use or benefit of any other Person if the Company knows, or has reasonable grounds for believing, that the other Person would use such offer, gift, payment, promise or authorization of payment for the benefit of any Official), for the purpose of influencing any act or decision or omission of any Official in order to obtain, retain or direct business to, or to secure any improper benefit or advantage for, the Company or any other Person; |
| (rrr) | "Promoters" shall refer to (i) Mr. Pramod Maheshwari (ii) Mr. Om Prakash Maheshwari and (iii) Mr. Nawal Maheshwari; |
| (sss) | "Proprietary Assets" shall mean all patents, patent applications, domain names, trademarks, service marks, trade names, copyrights, trade secrets, confidential and proprietary information, proprietary rights, know-how and processes; |
| (ttt) | "Purchaser" shall have the meaning as set out in Article 251(4); |
| (uuu) | "Related Party/ies" shall mean the Shareholders of the Company, Directors of the Company and the management team and any Affiliate of such Persons and any entity in which such Affiliates have any interest or any other Affiliate of the Company; |
| (vvv) | "Related Party Transactions" shall mean any contract, arrangement or transaction between the Company and any Related Party/ies; |
| (www) | "Reorganisation" means every issue by way of capitalisation of profits or reserves and every issue by way of rights or bonus and every consolidation or sub-division or reduction of capital, buy-back of securities or capital distribution or other reconstruction or adjustment relating to the equity share capital of the Company and any amalgamation or reconstruction affecting the equity share capital of the Company, as approved under these Articles; |
| (xxx) | "Reserved Matters" shall refer to the matters set out in Article 248(11); |
| (yyy) | "RHP" shall mean a red herring prospectus filed in connection with an IPO in terms of Article 254; |
| (zzz) | "Rights Holder" shall have the meaning as set out in Article 261(a); |
| (aaaa) | "SSHA" shall refer to the Subscription cum Shareholders Agreement dated July 16, 2009 executed by and between the Investor, Sponsors and the Company; |
| (bbbb) | "Sale Notice" shall have the meaning as set out in Article 251(4); |
| (cccc) | "SEBI" means the Securities Exchange Board of India; |
| (dddd) | "SEBI DIP Guidelines" shall mean the SEBI (Disclosure & Investor Protection) Guidelines, 2000 as amended from time to time; |
| (eeee) | "Sponsors" shall include the following: (i) Mr. Pramod Maheshwari (ii) Mr. Om Prakash Maheshwari (iii) Mr. Nawal Maheshwari (iv) Mr. Gulab Chand Maheshwari (v) Ms. Kailash Bai Maheshwari (vi) Ms. Neelima Maheshwari (vii) Ms. Shilpa Maheshwari (viii) Ms. Rekha Maheshwari and (ix) Swastika Polyolefins Private Limited; |
| (ffff) | "Sponsors Purchase Period" shall have the meaning as set out in Article 257(3)(C) |
| (gggg) | "Share(s)" shall mean the Equity Shares of the Company having a par value of Rs. 10/- each; |
| (hhhh) | "Shareholders" shall mean and refer collectively to all the Persons who hold Shares in the Company; |
| (iiii) | "Sponsors' Price Band" shall have the meaning as set out in Article 254(8)(b)(i); |
| (jjjj) | "Tag Along Right" shall have the meaning as set out in Article 251(2); |
| (kkkk) | "Tag Along Shares" shall have the meaning as set out in Article 251(4); |
| (llll) | "Transfer" (including the terms "Transferred by" and "Transferability") shall mean to transfer, sell, assign, pledge, hypothecate, create a security interest in or lien on, place in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way subject to any encumbrance or dispose of, whether or not voluntarily; |
| (mmmm) | "Transfer Notice" shall have the meaning as set out in Article 250(2); |
| (nnnn) | "Transferee" shall have the meaning as set out in Article 249(2); |
| (oooo) | "Trigger Date" shall have the meaning as set out in Article 257(1); and |
| (pppp) | "Trust" shall mean the Gopi Bai Foundation Trust, a Public Charitable Trust duly registered under the Rajasthan Public Trust Act, 1959 vide Registration No. 218 with Devsthan Vibhag of the Government of Rajasthan. |

248. Management
- (1) Board Composition of the Company
- (a) As of the Closing Date, the Board of Directors of the Company shall comprise of a maximum of 7 directors ("Directors") including the Investor Director.
- (b) Until an Exit takes place in accordance with the terms of these Articles, Investor shall be entitled to nominate the Investor Director to the Board. The Investor Director shall not be liable to retire by rotation. Pursuant to this Article 248(1)(b) the Shareholders shall vote in favour of appointing the Investor Director on the Board. The Investor, at its option, shall additionally be entitled to nominate an observer on the Board of the Company ("Observer"). The Observer shall be entitled to participate on a non-voting basis in all meetings of the Board (whether in person, telephonic or other).
- (2.) Alternate Director
- Investor shall be entitled to appoint an alternate Director (an "Alternate Director") in place of the Investor Director from time to time. Upon the appointment of the Alternate Director, the Company shall ensure compliance with the provisions of the Act, including by filing necessary forms with the Registrar of Companies, Rajasthan. The Alternate Director shall be entitled to constitute the quorum in the manner specified in Article 248 (6), and to attend and vote at such meetings in place of the Investor Director and generally to perform all functions of the Investor Director in his or her absence.
- (3.) Committees
- Investor shall have the right to require the appointment of the Investor Director, the Alternate Director and/or the Observer (on a non-voting basis) as representatives on any existing committee(s) of the Board or that, which may be formed by the Board and the Company. The Shareholders shall take all actions necessary to cause such Directors/Observers to be elected to such committees.
- (4.) Removal/Resignation of Directors
- The Investor may require the removal of the Investor Director nominated by it to the Board of the Company, and nominate another individual as a Director in his/her place. The Shareholders shall take all actions necessary to ensure the appointment of the individual nominated as aforesaid. In the event of the resignation, retirement or vacation of office of the Investor Director, Investor shall be entitled to appoint another Director in such place and the other Shareholders shall exercise their rights to ensure the appointment of the individual nominated as aforesaid.
- (5.) Notice for Board Meetings
- (a) At least 10 (ten) Business Days written notice shall be given to each of the Directors of any meeting of the Board or any committees thereof. A Board meeting may be called by a shorter notice with consent of all Directors including consent of the Investor Director, which shall not be unreasonably withheld in connection with specific operational matters, which are required to be undertaken within stringent timelines.
- (b) Such written notice shall be given at the address last provided to the Company, of each of the Directors in India. Subject to Applicable Law, a notice may also be served on the Directors by way of e-mail at the most recent e-mail address provided to the Company by the Director. Each notice of a meeting shall contain, inter alia, an agenda specifying, in detail, the matters to be discussed at the relevant meeting and shall be accompanied by all necessary written information and further in relation to any Reserved Matters, detailed supporting documents shall accompany the agenda.
- (6.) Quorum of the Board
- The quorum for a meeting of the Board shall be the minimum prescribed under the Act provided however that for meetings of the Board, the agenda in respect of which includes any Reserved Matter, the quorum must include the Investor Director. Without prejudice to the rights of the Investor with respect to the Reserved Matters, if such a quorum is not present within 1 (one) hour from the time appointed for the meeting, the meeting shall be adjourned to the same place and time, not earlier than 7 (seven) Business Days but no later than 10 (ten) Business Days, at which meeting the quorum shall be as prescribed under the Act provided that
- (i) a written notice of such adjourned meeting shall have been delivered to all Directors (at their usual address for services of notices for meetings of the Board) at least 5 (five) Business Days prior to the date of such adjourned meeting;
- (ii) no agenda items may be considered at such adjourned meeting of the Board which were not specifically set out in the agenda for the original meeting of the Board; and
- (iii) notwithstanding the right of the Investor Director to attend and participate at such adjourned meeting, the Investor Director, with respect to Reserved Matters that were part of the agenda for the original meeting of the Board, shall have the right to issue to the Company, a written notice indicating their consent or dissent with respect to the relevant Reserved Matters provided that in a case where the written notice issued by the Investor Director contains his/her dissent on a particular Reserved Matter, the Board shall not be entitled to pass any resolutions with respect to such Reserved Matters at the adjourned meeting. A failure of the Investor Director to issue a written notice as contemplated herein, shall be deemed to mean that the Board shall be free to pass any resolutions required to be passed with respect to Reserved Matters that were part of the agenda for the original meeting of the Board.
- (7.) Meetings of the Board
- (a) The Board shall meet at least once every 3 (three) months and at least 4 (four) times in a calendar year.
- (b) Subject to the provisions of these Articles a decision shall be said to have been made and a resolution shall be said to have been passed at a meeting of the Board only if, at a validly constituted meeting, such resolutions are approved by a majority of the Directors present and voting at such meeting and, if the resolution proposed to be passed pertains to a Reserved Matter listed in Article 248(11), such resolution shall be valid and effective only if it has received an affirmative vote from the Investor Director in the manner specified in Article 248(6) read with Article 248(11).

- (c) Prior approval of the Board on an annual basis will be required for the following budgets by the Company within 15 (Fifteen) days of commencement of the Financial Year to which the budget applies:
 - (i) Estimated cash flow statement;
 - (ii) Estimated profit and loss account;
 - (iii) Estimated balance sheet; and
 - (iv) Detailed assumptions underlining the forecasts for the above.
 - (d) Subject to Applicable Law, Directors or members of any committee of the Board and the Observer (on a non-voting basis) may participate in meetings of the Board or committee thereof through videoconference or telephonic conference.
 - (e) The Company shall provide to the Observer, concurrently with the members of the Board or any committee of the Board, and in the same manner, notice of each meeting of the Board or committee of the Board (as the case may be) and a copy of all materials provided to the members of the Board or committee of the Board.
 - (f) The Company shall reimburse all costs of the Investor representatives (i.e. the Investor Director, the Alternate Director and/or the Observer) in relation to attending any meetings of the Board or any committee of the Board provided however that any travel costs required to be reimbursed to the Investor representatives specified above shall be restricted to domestic travel costs only.
- (8.) **Exercise of Rights**
The Shareholders shall take such actions as may be necessary (including exercising their votes at General Meetings, meeting of the Board or any committees thereof), to give effect to the provisions of, and to comply with their obligations under these Articles including but not limited to this Article 248.
- (9.) **Resolution by Circulation**
A written resolution circulated to all the Directors or members of committees of the Board, whether in India or overseas and signed by a majority of them as approved, shall (subject to compliance with the relevant requirements of the Act) be as valid and effective as a resolution duly passed at a meeting of the Board or committee of the Board called and held in accordance with these Articles (provided that it has been circulated in draft form, together with the relevant papers, if any to all the Directors); provided however that if the resolution proposed to be passed by circulation pertains to a Reserved Matter listed in Article 248(11), such circular resolution shall be valid and effective only if it has received an affirmative vote from the Investor Director.
- (10.) **General Meetings**
- (a) An AGM shall be held each calendar year within 6 (six) months following the end of the previous Financial Year of the Company or at such later date as permissible under Applicable Law. The notices for such AGM shall be sent by the Company along with such details as may be required in accordance with the Act. All other General Meetings, other than the AGM, shall be EGMs. All AGMs and EGMs may be held with a shorter notice as provided for in the Articles of Association and as prescribed under the Act.
 - (b) The Sponsors and the Investor shall have voting rights at an AGM or EGM proportionate to their then shareholding (any shareholding percentages being rounded to the nearest whole number) in the Company.
- (11.) **Reserved Matters**
The following matters as they relate to the Company and/or any of its subsidiaries, shall require (i) the affirmative vote of the Investor Director to the extent that such matters are sought to be resolved at a meeting of the Board; and (ii) the affirmative vote of an authorised representative of the Investor at an AGM or EGM:
- (a) Any significant change in the liability structure (excluding working capital related items as specified in the approved Business Plan and annual budget) of the Company or its subsidiaries, as the case may be, including off-balance sheet items, such as leasing, and any Encumbrances, transfer, pledge or creation of lien.
 - (b) Except as specifically provided for in the Business Plan, incurrence of indebtedness or capital commitment over the annual budget in any Financial Year.
 - (c) Any appointment, engagement or increase in compensation of any person to a level of above Rs 5,000,000 in a year. Any appointment, removal, dismissal and changes in compensation terms of the Directors, or members of the Executive Management.
 - (d) Any change in the face value or rights attached to any Shares, except to the extent necessary for the purposes of an IPO conducted in accordance with Article 254.
 - (e) Appointment or change of internal/statutory auditors.
 - (f) Approval of annual accounts of the Company and/or its subsidiaries, as the case may be, and any deviations thereof.
 - (g) Approval of Business Plan and annual budget and material deviations from the approved Business Plan and annual budget including, but not limited to:
 - (i) Debt, guarantee or security above 10%;
 - (ii) Adverse deviations on any head by more than 10%;
 - (iii) Any material new contracts or variation in the terms of existing contracts;
 - (iv) Any additional capital expenditure (including purchase or lease of real estate) in excess of 10% of capital expenditure approved in the Business Plan; and
 - (v) Introduction of any tax saving scheme not within the normal course of business.

Notwithstanding anything contained in sub-article (g) above, in the event the Investor invests in a Competitor, any changes to the Business Plan relating to acquisitions/ joint ventures/ any other strategic/financial/business tie-up or new initiatives in the business of education and entering into related contracts to accomplish this can be undertaken by the Company without the requirement of an affirmative vote of the Investor (either at meetings of the Board or in AGMs/EGMs). Further, any debt availed to facilitate such business expansion may be taken so long as the Debt Equity Ratio of the Company is within 2:1. Further, in such event, Company may hire additional staff for their education business without the requirement of any approval from the Investor.

- (h) Any change in the accounting year, accounting policy or registered office of the Company.
- (i) Any change in the name of the Company.
- (j) Any investment in securities for treasury operation or otherwise including the deployment of redemption reserves excluding short-term (only in the case of fixed income securities) and working capital investments or the use of debt, equity or derivative instruments.
- (k) Any decision which has a Material Effect on the brand equity of the Company or on the "Career Point" brand.
- (l) Distribution of profits/commission to the Directors or employees or to any third Person.
- (m) Guarantee or grant security for any debt or obligation of any other Person, provide indemnities etc.
- (n) The grant of loans to any Person other than the following:
 - (i) loans that may be granted to Career Point Infra Limited in the normal course of business as approved by the Board; and/or
 - (ii) loans that may need to be granted to the Trust or loans that may need to be granted to any future educational trusts and/or societies under a Management Services Agreement as approved by the Board; and/or
 - (iii) loans that may need to be granted to employees, excluding Sponsors, which in the aggregate cannot exceed a total of INR 50,00,000 (Indian Rupees Fifty Lacs only) per annum; and/or
 - (iv) loans to third parties up to a maximum of INR 7,50,00,000 (Indian Rupees Seven Crores and Fifty Lacs) in the aggregate.
- (o) Business restructuring, reorganization, diversification, acquisitions, mergers, sale, transfer or amalgamation of the Company and its assets, issuance or sale of equity of the Company and/or its subsidiaries or sale of assets or anything which is in variance with the Business Plan and annual budget approved by the Board.

Notwithstanding anything contained in sub-article (o), in the event the Investor invests in a Competitor, all acquisitions/joint ventures/ any other strategic/financial/business tie-up or new initiatives in the business of education and entering into related contracts to accomplish this may be undertaken without the requirement of any approval from the Investor.

- (p) Notwithstanding anything in these Articles, except in the case of an IPO conducted as per Article 254, any change in the capital structure of the Company, such as issuance of new Equity Shares and equity linked securities, convertible preference shares, other securities, splits, buy-backs, warrants, options, bonus issues, convertible debt instruments, debt and other securities etc.
- (q) Any new business initiative that the Company wishes to undertake which is not in the education services sector.
- (r) Merger or amalgamation of the Company with any other company or reorganization of the Company, creation of joint ventures and /or creation of subsidiaries.
- (s) Declaration of dividend to any Shareholder or class of Shareholders, redemption of any Shares of the Company.
- (t) Conversion of any securities of the Company into equity, except as required under Applicable Law in connection with an IPO conducted in accordance with Article 254 hereof.
- (u) Any amendments to the Memorandum and/ or Articles of Association, except as required in connection with an IPO conducted in accordance with Article 254 hereof.
- (v) Commencement of winding-up proceedings of the operations of the Company and liquidation of the Company.
- (w) Any strategic/financial/other alliance with a third party which would result in investment being made by the Company or which would result in the creation of certain exclusive rights to third parties. However in the event the Investor invests in a Competitor, specific prior approval from the Investor would be required only in the event any exclusive rights are given to third parties or if any rights are given which could conflict with the rights of the Investor under these Articles.
- (x) Any Related Party Transactions exceeding net aggregate value of INR 15,000,000 in a financial year between the Company, its subsidiaries and their respective Sponsors, Directors, Executive Management or their Affiliate/s authorised agents, firms, subsidiaries or other connected Persons or entities provided however that the following transactions shall be permitted to be undertaken by the Company without any restrictions:
 - (i) loans that may be granted to Career Point Infra Limited as approved by the Board; and/or
 - (ii) transactions with the Trust under the Management Services Agreement as approved by the Board.
- (y) Any amendment or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of the Investor and/or any amendment or waiver of any provisions specified in these Articles, except as required in connection with an IPO conducted in accordance with Article 254 hereof and approved by the Board.
- (z) Registration or approvals of Transfer of Shares of the Company other than in accordance with the terms of the Articles and creation of or taking on record any charge or Encumbrance on the Shares.
- (aa) Issuance of any plan for granting incentives to employees and Directors in the form of stock options in the Company or other performance-based compensation and any change to existing stock option plans.

- (bb) Entering into any agreement or transaction not in the ordinary course of the Company's business.
- (cc) Authorising the liquidator to accept shares of the Company as consideration for sale of Company's property.
- (dd) Authorising the liquidator in a winding up proceeding to exercise powers specified in clauses (a) to (d) of sub-section (1) of Section 457 of the Act.
- (ee) Authorising the liquidator to exercise certain powers in voluntary winding up.
- (ff) Direct the disposal of books and papers after completion of winding up and about to be dissolved.

To the extent that the matters listed in this Article 248(11) contain exclusions in relation to matters capable of being undertaken in connection with the conduct of an IPO in accordance with Article 254, such exclusions shall relate only to those matters that are required to be undertaken in connection with an IPO under Applicable Law.

(12.) Information Rights

- (a) The Company shall furnish to Investor, the following information:
 - (i) A copy of all notices, circulars, minutes of meetings and such other information, which is available to the Board/Shareholders of the Company, at the same time as they are made available to the Board/Shareholders of the Company.
 - (ii) Quarterly, semi-annual and annual audited financial statements including an income statement, a statement of cash flow and a balance sheet; a statement of capital expenditures, detailed break-down of working capital, an aging analysis of receivables and comparisons to budget within 30 (thirty), 45 (forty five) and 90 (ninety) days of the end of the relevant quarter, semi-annual and annual period respectively. The financial statements should be accompanied by a report from the CEO/managing director and a discussion of key issues and variances to the budget and to the previous period. The report will disclose and address any material issues that have come to light or have arisen during the relevant reporting period, including any environmental and social issues relating to the Company and its business and prospects;
 - (iii) Management Information System reports (in a format acceptable to the Investor) within 15 (fifteen) days of the end of every 45 (forty five) days;
- (b) The Investor would have standard inspection rights, available to shareholders in India, and a right to conduct an independent audit at its own cost. Investor shall be free to disclose information received under the SSHA to its Affiliates provided that such Affiliates agrees to remain bound by the provisions of confidentiality as provided in the SSHA.

249. TRANSFER OF SHARES

1. Except in accordance with these Articles, the Parties shall not, directly or indirectly, Transfer all or any of the Shares held by them in the Company. Any Transfer in breach of these Articles shall be null and void, and shall not be binding on the Company.
2. The Investor shall have the right to Transfer its shareholding in the Company, in full or in any part thereof, without any restrictions of any nature whatsoever including Transfer to any Clients by way of execution of a Client Transfer Deed, provided that any transferee other than a Client shall be required to execute a Deed of Adherence. A Transfer of 50% or more of an Investor's total holding shall automatically enable the Investor to assign all its rights and obligations under these Articles and the SSHA to any third party (the "Transferee") and such Transferee shall be required to execute the Deed of Adherence. However, the rights under these Articles and the SSHA will be held by either the Investor or the Transferee. In any event, upon such Transfer, the Investor shall issue a letter to the Company and Sponsors intimating them of the Person who holds the rights under these Articles and the SSHA, pursuant to such Transfer. Upon such Transfer and intimation to the Company and Sponsors, appropriate modifications would be carried out to the Articles to reflect the rights of the Transferee.
3. Notwithstanding anything contained in Article 249(2) above, for a period of 54 (fifty four) months from the Closing Date, the Investor shall not Transfer any Investor Shares to any of the Company's Competitors without the approval of the Promoters. Despite the Promoters having granted their approval for a Transfer of Investor Shares to a Competitor, the Investor shall not be permitted to assign any of the Investor's rights and/or obligations to the Competitor, unless such Transfer is pursuant to Article 257 or Article 263.
4. Subject to Applicable Laws and the execution of confidentiality agreements (as are customary in such transactions), the Company shall provide all reasonably necessary assistance to enable any Person identified by Investor, to whom Investor intends to Transfer, all or part of the Investor Shares, to carry out a due diligence review of the Company as may be generally required or reasonably requested by any such Person.
5. The Shareholders shall ensure that all such actions necessary to give effect to this Article 249 will be taken as and when required.
6. Notwithstanding anything to the contrary contained elsewhere, on the closure of its portfolio management services business or the winding up of the FTPES product or the termination of agreements by a large number of Clients of the Investor, Investor shall be entitled to Transfer all or part of the Investor Shares to its Clients. A Transfer pursuant to this Article 249(6) by the Investor shall require the Investor's Clients to execute a Client Transfer Deed and further, the Sponsors and/or the Company shall have no obligation of any nature whatsoever towards such Clients, it being understood that such Clients would only have rights of ordinary shareholders as available under Applicable Law.
7. The Investor shall be free to Transfer the Investor Shares to its Affiliates at any time without any restrictions provided that:
 - (a) such Affiliates are not capable of being classified as Competitors; and
 - (b) such Affiliates execute the Deed of Adherence.

250. NON-DISPOSAL UNDERTAKING AND RIGHT OF FIRST REFUSAL

1. None of the Sponsors shall sell or Transfer, in aggregate, at any point of time, more than 10% of the total number of Shares held collectively by the Sponsors, in the Company, as on the Closing Date, calculated with reference to the shareholding structure provided in Appendix 10 to the SSHA (as adjusted for any Reorganisation), unless specifically agreed to by the Investor in writing. Any such sale shall be without the Transfer of any rights under these Articles and the SSHA.
2. If the Sponsors desire or propose to Transfer any Shares, held by them at a price lower than the price at which the Investor has subscribed to the Investor Shares, the Sponsors shall notify the Investor, in writing ("Transfer Notice") of the intention to Transfer and first offer such Shares to the Investor. The Transfer Notice shall set out the number of Shares that are proposed for Transfer ("Offered Shares"), the identity of the transferee, the price per Share offered by such prospective transferee for acquiring the Offered Shares ("Offer Price") and details of any other terms that are material to such proposed Transfer.
3. Upon such offer being made, the Investor shall have the right within a period of 21 (twenty one) Business Days of receipt of the Transfer Notice, to notify the Sponsors, in writing, that they wish to purchase the Offered Shares ("Acceptance Notice"). After issuance of the Acceptance Notice, the Investor shall be required to complete the purchase of the Offered Shares at the Offer Price within a period of 60 (sixty) Business Days from the date of issuance of the Acceptance Notice.
4. In the event that the Investor has not served the Acceptance Notice within 21 (twenty one) Business Days or has failed to complete the purchase of the Offered Shares, at the Offer Price, within the aforesaid period of 60 (sixty) Business Days, subject to compliance with all relevant requirements under any Applicable Laws, the Sponsor and the transferee shall complete the Transfer of the Offered Shares at the Offer Price or any price higher than the Offer Price, and on the terms set out in the Transfer Notice. A failure of the Investor to complete an acquisition of the Offered Shares after having served an Acceptance Notice shall constitute a material breach of these Articles and the SSHA on the part of the Investor.

251. TAG-ALONG RIGHTS

1. In the event that the Sponsors, individually or collectively, intend to Transfer more than 10% (calculated on a cumulative basis taking into account all Transfers made after the Closing Date) of their share holding in the Company, calculated with reference to the shareholding structure provided in Appendix 10 to the SSHA (as adjusted for any Reorganisation), to third party(ies), they shall first obtain a written consent from the Investor for such sale, it being understood that a Transfer of up to 10% of Sponsors' shareholding shall not require any prior approval of the Investor.
2. In the event that the Investor provides its written consent to the sale envisaged in Article 251(1) above and the Shares proposed to be Transferred by the Sponsors, individually or collectively, are greater than 10% but less than 25% of their collective share holding in the Company as on the Closing Date, calculated with reference to the shareholding structure provided in Appendix 10 to the SSHA, then the Investor shall have a co-sale right ("Tag-Along Right"), but no obligation, to co-sell with the Sponsors, up to a proportionate share of the Investor Shares, to such purchasing third party at the same price and on the same terms and conditions at which the Sponsor(s) intend to transfer his/her/their Shares. Provided however that the proportionate number of Investor Shares capable of being Transferred together with the Shares of the Sponsors shall be calculated with reference to the number of Shares sought to be Transferred by the Sponsors that are in excess of 10% of their collective share holding in the Company as on the Closing Date, calculated with reference to the shareholding structure provided in Appendix 10 to the SSHA.
3. In the event that the Investor provides its written consent to the sale envisaged in Article 251(1) above and the Shares proposed to be Transferred by the Sponsors, individually or collectively, are greater than 25% (calculated on a cumulative basis taking into account all previous Transfers) of their collective share holding in the Company as on the Closing Date, calculated with reference to the shareholding structure provided in Appendix 10 to the SSHA, then the Investor shall have a Tag-Along Right, but no obligation, to co-sell with the Sponsors, any part or the whole of the Investor Shares, to such purchasing third party at the same price and on the same terms and conditions at which the Sponsor(s) intend to transfer his/her/their Shares.
4. Upon identifying a third party to acquire any or all of the Shares held by them (the "Purchaser"), the Sponsor(s) shall notify the same to Investor, in writing, setting out the following details in relation to the third party's offer (the "Sale Notice"): (i) price per Share; (ii) number of Shares proposed to be Transferred (the "Offered Tag Shares"); (iii) identity and material particulars regarding the Purchaser; and (iv) terms and conditions for the proposed Transfer. The written notice by the Sponsor(s) shall contain the unconditional offer on behalf of the Purchaser to purchase the Shares including the Tag Along Shares. Upon granting its consent to the proposed Transfer, the Investor shall, within a period of 30 (thirty) days from the date of receipt of the Sale Notice, be entitled to exercise its Tag Along Rights and offer such portion of the Investor Shares as calculated under Article 251(2) or Article 251(3) above, as applicable, (the "Tag Along Shares") to be Transferred to the Purchaser. The Transfer of the Offered Tag Shares to the Purchaser shall be conditional upon such Purchaser acquiring the Tag Along Shares offered by the Investor in exercise of its Tag Along Rights on terms no less favourable than those offered by the Purchaser to the Sponsors, provided that the only representation which the Investor may in this case be required to provide shall be limited to the title of the Shares being sold by it.
5. The Sponsor(s) shall: (i) provide written confirmation of the final terms of sale of the Offered Tag Shares and the Tag Along Shares and (ii) not complete the sale of any of the Offered Tag Shares unless the Purchaser has purchased the Tag Along Shares.

252. VALUATION PROTECTION

1. The Company shall not make any fresh issue of convertible instruments or Equity Shares at terms more favourable than those offered to the Investor. Subject to the terms of these Articles and subject to the Investor agreeing to any such fresh issue, if any fresh issue of convertible instruments or Equity Shares is

made by the Company on more favourable terms than as offered to the Investor, the Investor shall be suitably compensated by way of adjustment of the terms of the Investor Shares, such that the return/terms on the investment of the Investor becomes at least equal to the returns/terms applicable to the proposed fresh issue from the date of such fresh issue.

Notwithstanding the foregoing, on and from the issuance of the Investor Shares by the Company, the Company shall not make any fresh issue of convertible instruments or Equity Shares at a price lower than the price of the Investor Shares. Subject to the terms of these Articles and subject to the Investor agreeing to any such fresh issue of convertible instruments or Equity Shares, if any fresh issue is made by the Company at a price lower than the price of the Investor Shares, whether through Equity Shares, convertible instruments or otherwise, the Investor shall be suitably compensated by way of issue/Transfer of additional Shares, at the lowest price permissible under Applicable Law, such that the post-money equity valuation of the investment by the Investor, becomes equal to the pre-money equity valuation based on which the fresh issue is proposed to be made. Such issue of additional Shares to the Investor shall be made simultaneously with the fresh issue of Shares/securities.

2. The Investor shall have anti-dilution protection in respect of stock splits, stock dividends, and the like.

253. CALL OPTION

1. Subject to the provisions of Article 253(2), in the event the Investor invests through the funds collected under FTPES in a Competitor, then the Investor shall forego certain specified provisions under Article 248(11), which will thereafter be approved by majority of the Board of Directors. Notwithstanding the provisions of Article 253(2), the Investor shall be required to inform the Sponsors of any investments made by it in a Competitor, prior to such investments being made, and further shall ensure that the Investor Director is not nominated to the board of directors of any Competitor.
2. In the event the Investor chooses not to forego the provisions under Article 248(11), the Investor shall, prior to making any investments in a Competitor, be required to intimate the Sponsors and the Company in writing. Within 30 (thirty) days of such intimation, the Sponsors and/or the Company shall have a right to exercise a call option by serving a written notice (the "Call Option Notice") on the Investor requiring the Investor to sell the Investor Shares to the Company and/or the Sponsors (as the case may be). The Sponsors and/or the Company shall be entitled to purchase the Investor Shares at an IRR of 17.5% within 6 (six) months of serving the Call Option Notice. The return to the Investor shall be such amount so as to provide the 17.5% IRR from the Closing Date till the date of receipt of payment, subject to the requirements of Applicable Law in so far as it relates to a buy-back by the Company in accordance with the terms of this Article 253(2). In the event the Sponsors and/or the Company do not (i) serve the Call Option Notice to the Investor within 30 (thirty) days from the receipt of written communication from the Investor; or (ii) honour the call option within 6(six) months of serving the Call Option Notice; the Investor shall retain all the Reserved Matters under Article 248(11) without exception. Till the call option is honoured the Investor shall continue to retain all the rights under Article 248(11).

254. LISTING

1. The Company and the Sponsors shall covenant to undertake and complete an IPO and list the Company's Shares within 48 (forty eight) months from the Closing Date (the "Exit Date"). The conduct of an IPO shall not be a Reserved Matter and shall not require any approval from the Investor.
2. Based on the advice of any one of the Agreed Merchant Bankers, the Company shall make efforts to list the Company's Shares on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. For the purposes of this Article 254(2) the term "Agreed Merchant Bankers" shall mean and include any of the following that may be appointed by the Company and/or the Sponsors in connection with an IPO:
 - (b) Kotak Mahindra Capital Company Limited;
 - (c) Enam Securities Private Limited;
 - (d) JM Financial Consultants Private Limited;
 - (e) Anand Rathi Securities Limited; or
 - (f) Centrum Capital Ltd.
3. The IPO may be either through a fresh issue of Shares of the Company and/or an offer for sale of the Shares held by the Shareholders of the Company subject to compliance with the SEBI DIP Guidelines. All expenses towards the IPO shall be borne by the Company.
4. The Sponsors shall not unreasonably withhold approval and shall do all acts and deeds reasonably required to effectuate such IPO. The Investor shall be required to render all necessary assistance as may be reasonably required under Applicable Law in order to effectuate such IPO.
5. In the event of an offer for sale, the Investor shall have the right but not the obligation at that point in time, to offer the whole or part of its entire shareholding subject to the provisions of the SEBI DIP Guidelines. The balance requirement, if any, after the Investor has offered the Investor Shares for sale, shall be provided by the Sponsors to the extent of such percentage as may be required for obtaining listing in accordance with SEBI DIP Guidelines and other Applicable Law. In the event that the Investor chooses to offer a higher percentage of its shareholding for offer, as part of an offer for sale, the Investor may require the Company to increase the size of the offer to facilitate an Exit for the Investor.
6. For the purposes of the IPO, the Sponsors shall take all steps to procure, subject to Applicable Law, that Mr. Pramod Maheshwari, Mr. Om Prakash Maheshwari and Mr. Nawal Kishore Maheshwari assume the roles of "promoter" as applicable and in accordance with the SEBI DIP Guidelines. The Investor shall not be considered as a promoter of the Company.

7. The Company and the Sponsors shall cause the Board to take all steps reasonably necessary for the Company to undertake such IPO, including but not limited to, preparing and signing the relevant offer documents, conducting road shows, entering into such documents, providing all necessary information and documents necessary for preparing the offer document, obtaining such regulatory or other approvals and doing such further reasonable acts or deeds as may be necessary or are customary in transactions of such nature, or do all acts necessary to facilitate such a sale by the Investor in accordance with Article 254(5).

8. Adjustment in case of an IPO

- (a) The Sponsors, jointly and severally grant to the Investor an investor adjustment right ("Investor Adjustment Right") to enable the Investor to achieve the Investor Minimum Exit Amount in accordance with the provisions of this Article 254(8).
- (b) The Investor may exercise the Investor Adjustment Right in the period between the draft red herring prospectus and the RHP as follows:
 - (i) within a period of 15 (fifteen) days prior to filing of the RHP, in any IPO, the Sponsors shall, based on recommendations of the Agreed Merchant Banker, be required to provide to the Investor, a written notice specifying a price band ("Sponsors' Price Band") at which the Company is expected to undertake the IPO;
 - (ii) if, based on the lower end of the Sponsors' Price Band, the Investor Minimum Exit Amount is not capable of being achieved, the Investor shall, subject to the provisions of Applicable Law, be entitled to issue a written notice, within 7 (seven) days from the date of receipt of the notice specified in sub-clause (i) above, to the Sponsors to call upon the Sponsors to make good the shortfall of the Investor (as calculated with reference to the lower end of the Sponsors' Price Band) through a Transfer of such number of additional Equity Shares to the Investor as are necessary to make good the shortfall or through such other mechanism as may be permissible under Applicable Law;
 - (iii) a Transfer, if any, required to be undertaken in terms of this sub-article shall be undertaken within the shortest possible time as permitted under Applicable Law, from the date of notification by the Investor and in any event within a period of at least 7 (seven) days prior to filing of the RHP and further, the consideration at which the Sponsors shall be required to Transfer Equity Shares to the Investor (in terms of this Article 254(8)) will be at the lowest permissible price under Applicable Law; and/or
 - (iv) the delivery of any written notice exercising the Investor Adjustment Right under sub-article (ii) above shall constitute a binding agreement and obligation on the Sponsors;
 - (v) the Sponsors shall do and shall cause the Company to do all acts as may be necessary to comply with the Sponsors' obligations under this Article 254(8) as contemplated above including but not limited to calling for Board meeting(s), passing necessary resolutions and causing the Company and the other Shareholders of the Company, to do all such things as may be required for the Sponsors to effectively comply with the Sponsors' obligations under this Article
- (c) Notwithstanding anything contained in this Article 254(8), in the event that Applicable Law does not permit exercise of the Investor Adjustment Right in accordance with the mechanism contemplated in this Article 254(8) or Agreed Merchant Banker advises the Company after filing of the draft red herring prospectus, that the Investor Adjustment Right granted under Article 254(8) is not likely to be accepted or approved by SEBI then, the Sponsors shall be released from their obligations under this Article 254(8) with a view to ensure completion of the proposed IPO.
- (d) The adjustments contemplated in this Article 254(8) shall occur prior to the filing of the RHP and it is further clarified that if for any reason:
 - (i) the RHP is not filed with SEBI within a period of 3 (three) months from the date of completion of the aforesaid adjustments; and/or
 - (ii) the IPO has not been completed pursuant to the filing of the RHP contemplated herein,

then the Investor shall be required to Transfer all Equity Shares Transferred in terms of this Article 254(8) back to the Sponsors at the consideration which the original Transfer had occurred in terms of this Article 254(8), provided however that the Investor shall be entitled to exercise the Investor Adjustment Right in the same manner as contemplated in this Article 254(8) in any future proposed IPO by the Company in accordance with the terms hereof.

255. STRATEGIC SALE

The Sponsors and the Company will facilitate an Exit for the Investor by exploring the possibilities of a strategic sale or merger with another company, including a listed company, with the specific approval of the Investor. The appointment of the merchant banker/investment banker to facilitate such Exit shall be with mutual consent

256. BUY-BACK

1. In the event that the Company and/or the Sponsors are unable to secure an Exit by the Exit Date, the Investor will have the right to require the Company and/or Sponsors to buy-back (the "Buy-back Option") the Investor Shares at a consideration (the "Buy-Back Consideration") which yields an IRR of 15.5% to the Investor on the Investment Amount from the Closing Date up to the date of receipt of payment, subject to the requirements of Applicable Law in so far as it relates to a buy-back by the Company in accordance with the terms of this Article 256. The Investor may exercise its Buy-Back Option during the period of 6 (six) months following the Exit Date, i.e., between the period comprising 48 (forty eight) months and 54 (fifty four) months from the Closing Date (the "Buy-back Period").
2. At any time during the Buy-back Period, the Investor shall be entitled to send a written notice (the "Buy-back Notice") to the Company and/or the Sponsors requiring them to buy-back the Investor Shares in accordance with Article 256(1). The Company and/or the Sponsors shall, within a period of 9 (nine) months from the date of the Buy-back Notice complete the buy-back process.
3. In the event that the Investor does not exercise the Buy-back Option on or prior to expiry of the Buy-back Period, the right of the Investor to exercise the Buy-back Option shall expire and the Investor shall be entitled to retain only the right to nominate the Investor Director, until the Investor holds at least 25% of their total shareholding in the Company. If the Buy-back is not completed for any reason attributable to the Company and/or the Sponsors, after the Investor has exercised the Buy-back Option, the Investor shall be entitled to retain all rights under these Articles and the SSHA.
4. Notwithstanding anything contained in this Article 256, after exercising the Buy-back Option, should the Company be unable to match the Buy-back Consideration and/or buy back all of the Investor Shares, the Sponsors, jointly and severally, shall be responsible to purchase remaining number of Investor Shares at a price that would yield the Buy-back Consideration to the Investor.

257. DRAG ALONG RIGHTS

1. At any time after the expiry of 9 (nine) months ("Trigger Date") from the issuance of the Buy Back Notice to the Sponsors and/or the Company, if the Sponsors and/or the Company are unable to fulfil their obligations under the Buy-back Option, the Investor shall have the right to sell the Investor Shares without any restrictions.
2. Subject to the Investor proposing to Transfer all (but not less than all) the Investor Shares to a third party(ies), and such third party(ies) requiring more Shares, then the Investor shall have the right (the "Drag Along Right") to call upon the Sponsors requiring them to sell such number of Shares (the "Drag Along Shares") as may be required by such third party(ies) at the same price and terms as are applicable to the Investor for the sale of the Investor Shares.
3. The Drag Along Right shall be capable of exercise by the Investor in the following manner:
 - (A) In the event that the Investor seeks to exercise the Drag Along Right, the Investor shall within 1 (one) year from the Trigger Date, be entitled to issue to the Sponsors, a written notice (the "Drag Along Notice") which shall specify the price per Share at which the Investor seeks to exercise the Drag Along Right (the "Drag Along Price").
 - (B) Within a period of 2 (two) months ("Option Period") from the date of receipt of the Drag Along Notice, the Sponsors (acting jointly) shall have the option to issue a written notice (the "Drag Response Notice") indicating whether:
 - (i) the Sponsors wish to purchase all (and not less than all) the Investor Shares at the Drag Along Price; or
 - (ii) the Sponsors decline the offer to purchase all of the Investor Shares.
 - (C) In the event that the Sponsors (acting jointly) issue a Drag Response Notice as contemplated in sub-article (B)(i) above, the Investor shall be required to Transfer all (and not less than all) the Investor Shares to the Sponsors (based on their agreed inter-se proportion) at a price not lower than the Drag Along Price and such Transfer of the Investor Shares shall be completed within a period ("Sponsors' Purchase Period") 5 (five) months from the date of issuance of the Drag Along Notice.
 - (D) In the event that the Sponsors
 - (a) do not issue a Drag Response Notice or issue a Drag Response Notice as contemplated in sub-article(B)(ii) above, or
 - (b) despite having issued a Drag Response Notice under sub-article (B) (i) above, the Sponsors fail to complete the purchase of Investor Shares within the time period specified in sub-article (C) above,
 then, the Investor shall have the following options:
 - (i) the right to proceed to complete the Transfer of all (and not less than all) the Investor Shares to a third party(ies) (the "Drag Purchaser(s)"). The Sponsors shall be obligated to Transfer the Drag Along Shares (the number of such Drag Along Shares shall be communicated in writing to the Sponsors at least 15 (fifteen) days prior to the date of the proposed Transfer), simultaneously with the Investor Shares, to the Drag Purchaser at a price not lower than the Drag Along Price and on the same terms and conditions as applicable to a Transfer of the Investor Shares; or
 - (ii) the right to issue to the Sponsors another Drag Along Notice specifying an alternate Drag Along Price.

- (E) Upon exercise of the Drag Along Right by the Investor as contemplated hereinabove, in the event that the Shares of the Sponsors are sought to be Transferred to a Drag Purchaser, the Sponsors shall, 15 (fifteen) days prior to the date of the proposed Transfer of all (and not less than all) the Investor Shares together with the Drag Along Shares, deliver the share certificates in respect of the Drag Along Shares, to the Company along with the transfer forms duly filled in and if their Shares have been dematerialised, shall issue appropriate instructions to their depository participant to give effect to the Transfer to the Drag Purchaser. The Transfer of all the Drag Along Shares to the Drag Purchaser shall be then completed simultaneously with a Transfer of the Investor Shares to the Drag Purchaser. Further, the Sponsors shall execute and deliver any and all agreements, certificates, deeds, instruments and other documents required in connection therewith and to take all other steps requested by the Investor to cause the Transfer of the Drag Along Shares and the Investor Shares in terms hereof, including, as appropriate, to cause all Directors under their control or influence to vote, as Directors, to approve such Transfer
- (F) If the Investor seeks to exercise its option under sub-article D (i) above, the Transfer of Investor Shares to the Drag Purchaser shall be completed within:
- (a) 1 (one) year from the date of receipt of the Drag Response Notice under sub-article (B)(ii); or
 - (b) 1 (one) year from the date of expiry of the Option Period if no Drag Response Notice is issued by the Sponsors, or
 - (c) 1 (one) year from the date of expiry of the Sponsors' Purchase Period if the Sponsors have failed to complete the purchase of the Investor Shares as contemplated under sub-article above.
- (G) Upon exercise of the right specified in sub-article (D)(ii), the same process as specified in sub-articles (B) to (G) shall be followed, it being understood that the Investor shall have the right to issue another Drag Along Notice in terms of sub-article (D)(ii) above only once, subject however to the provisions of sub-article (H) below.
- (H) The Drag Along Right of the Investor shall lapse in each of the following situations:
- (a) if the Investor fails issue a Drag Along Notice within 1 (one) year from the Trigger Date; or
 - (b) if the Investor fails to exercise any of the rights specified in sub-article (D)(i) or (D)(ii) within the specified time frames; or
 - (c) if the Investor fails to complete the sale and purchase of the Drag Along Shares pursuant to issuance of a second Drag Along Notice in terms of sub-article (D)(ii) within the specified time frame, it being understood that after issuance of a second Drag Along Notice, the Investor shall not have the right to issue any further Drag Along Notices except where the Sponsors have issued a Drag Response Notice under sub-article (B)(i) above and have failed to complete the acquisition of Investor Shares within the relevant Sponsors' Purchase Period in which case the Investor's right to exercise the right under sub-article (D)(ii) shall be capable of exercise for one additional period of 1 (one) year to be computed in the manner specified in sub-article (F) and (G) hereinabove.

After the Drag Along Right of the Investor has lapsed as specified hereinabove, the Investor shall be entitled to retain only the right to nominate the Investor Director, until the Investor holds at least 25% of their total shareholding in the Company.

258. LIQUIDITY FOR ACQUISITION OF INVESTOR SHARES

To the extent that the Company and/or the Sponsors are required to acquire the Investor Shares in terms of Articles 253(2), 256, 257, the Sponsors shall, notwithstanding any restrictions imposed hereunder, be entitled to undertake all necessary steps to create liquidity within the Company in order to enable an acquisition of the Investor Shares by the Company. Provided however that:

- (a) nothing contained herein shall result in a dilution of the obligation of the Company and/or the Sponsors to purchase the Investor Shares in terms of the aforesated Articles; and
- (c) the Sponsors shall be required to ensure that the funds generated within the Company shall be utilised for no other purpose other than an acquisition of Investor Shares as required in accordance with the provisions of the aforesated Articles.

259. ENCUMBRANCES

1. Investor shall not be required to pledge or Encumber its shareholding in the Company or offer any guarantee, collateral security or indemnity to any third party, including to any lenders of the Company.
2. Except with the Investor's prior written consent, the Company and the Sponsors shall not create any Encumbrance on all or any part of present or future, tangible or intangible assets (except for the assets mentioned in Appendix 12 of the SSHA), undertakings, property or revenues of the Company and its subsidiaries or on their respective share capital or provide any security, guarantee or indemnity in respect of any debt of a third party, including without limitation the Shareholders of the Company.

3. Notwithstanding anything contained in Article 259(2) above, and subject to the provisions of Articles 250 and 251, the Sponsors shall be free to pledge without any rights up to 15% of their collective shareholding in the Company as of the Closing Date (as adjusted for any Reorganisation) without approval from the Investor provided that the Sponsor(s) shall be required to inform the pledgee of the Shares, about the Investor's Tag Along Rights at the time of the pledge. It is clarified that the 10% threshold provided under Articles 250(1) and 251(1) will not be exclusive of the 15% threshold prescribed herein. Both thresholds shall be applicable simultaneously ensuring that, say in a situation where the Sponsors have already sold 10% of their shareholding under Article 250(1), they will only be entitled to pledge a further 5% of their shareholding, under this Article. The Sponsors shall inform the Investor about any such pledge of shareholding within 3 (three) days of creation of the same and shall provide the Investor with a certified copy of the notice informing the pledgee, that the Shares are subject to the terms and conditions of these Article and the SSHA.

Each certificate representing the Shares of the Company now or hereafter owned by the Sponsors and other Shareholders of the Company or issued to any person including without limitation in connection with a Transfer in compliance with these Articles shall be endorsed with the following legend:

"THE SALE, PLEDGE, HYPOTHECATION OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO CERTAIN RESTRICTIONS WHICH INCLUDE WITHOUT LIMITATION TAG ALONG RIGHTS ON THE SALE OF THE SECURITIES SET FORTH IN THE ARTICLES OF ASSOCIATION OF THE COMPANY AND IN A SUBSCRIPTION CUM SHAREHOLDERS AGREEMENT."

260. LIQUIDATION PREFERENCE

In the event of a liquidation, dissolution and winding up of the Company, the Investor shall have a preference over the other Shareholders of the Company for return of capital as set out hereinafter. Accordingly, the surplus if any remaining after making payments as per the priority of payments set forth in Section 529A and Section 530 of the Act shall be applied in the following order of priority:

- (a) Investor would be entitled to receive, prior to any distribution to the other holders of Shares, an amount equal to 1.00 time of the Investment Amount plus all declared but unpaid dividends thereon (the "Preference Amount"). If the Company has insufficient assets to permit payment of the Preference Amount in full to Investor, then the assets of the Company would be converted into cash and distributed to Investor to meet this deficiency.
- (b) After the above amount is settled, the balance amount of the surplus, if any, shall be distributed pro rata among all the Shareholders including the Investor.

261. Termination

- (a) The provisions of Part II of the Articles shall continue in full force and effect until the shareholding of the Investor or the Transferee (under Article 249(2)) who holds rights under the SSHA ("Rights Holder"), falls below 5,02,816 (Five Lacs Two Thousand Eight Hundred and Sixteen) Equity Shares ("Fall Away Threshold"), or upon the Rights Holder having been provided an Exit in accordance with the terms of these Articles and the SSHA.
- (b) The provisions of Part II of the Articles shall automatically terminate upon a Transfer of all of the Investor Shares to Clients in terms of Article 249(6), pursuant to the Clients having executed a Client Transfer Deed.
- (c) Any termination of Part II of these Articles shall be without prejudice to any rights or obligations accrued to, or in respect of either Party, prior to the date of termination hereof.
- (d) The provisions of the SSHA, in so far as they are not covered by these Articles, as well as all other miscellaneous provisions of the SSHA as are applicable or relevant thereto, shall survive termination of Part II of these Articles.

In addition to the above, the provisions of indemnity as provided in the SSHA shall continue to survive termination of part II of these Articles to the extent any Losses occur as a result of any facts or circumstances prevailing, or having arisen or occurred, during the subsistence of the SSHA, provided that such Losses can be indemnified under the SSHA.

262.. CONSEQUENCES OF EVENT OF DEFAULT

In the event that an Event of Default is not remedied within the time period prescribed in the SSHA, the Investor shall have the right to (i) sell its shareholding in the Company without restriction; or (ii) exercise the Buyback Option.

263. RIGHTS OF INVESTOR

1. Subject to the provisions of Articles 249(7), 261(a) and Article 263, all Shares held or acquired by any Affiliates of the Investor or Persons and by funds managed under the portfolio management services business of the Investor shall be aggregated together for the purpose of determining the availability of any rights of the Investor under these Articles and the SSHA.
2. Notwithstanding anything to the contrary contained elsewhere, in the event the Investor is unable to exercise any rights available to the Investor under these Articles and the SSHA in full owing to any Applicable Law or regulation in force, then such Investor shall be entitled to the exercise of any such right under these Articles and the SSHA to the limited extent permissible under Applicable Law.

Provided however, that on the revocation, removal or diminution of the law or provisions, as the case may be, by virtue of which any right of the Investor pursuant to these Articles and the SSHA was limited as provided hereinabove, the original provisions would stand renewed and be effective to their original extent, as if they had not been limited by the law or provisions revoked. The Sponsors and the Company represent and warrant that there are no other agreements or understanding subsisting as of date in respect of the shareholding, voting, management, granting any rights in the Company as of date involving the Sponsors or any third party apart from the SSHA.

264. **D&O Insurance**

Subject to Applicable Laws, the Company shall procure and maintain suitable and customary directors and officers liability insurance cover for the Investor Director, for an amount of Rs. 20,000,000, on terms reasonably acceptable to the Investor. The amount of the insurance cover stated herein above can be increased by the Board depending upon the growth of the business of the Company and other circumstances. On the recommendation of the Board, the Company may also subscribe to and maintain key-man insurance cover for such personnel as may be identified by the Board.

265. **Investor Director Indemnification**

1. The Company shall indemnify the Investor Director:
 - (i) to the fullest extent permitted by law from and against all liabilities, damages, actions, suits, proceedings, claims, costs, charges and expenses incurred by or brought or made against the Investor Director (including any liability to account to the Company, its subsidiaries or any third party) as a result of any act matter or thing done or omitted to be done by the Investor Director in the course of her/him being a director of the Company or any of its subsidiaries provided such claim does not arise primarily on account of any fraudulent action of such Investor Director;
 - (ii) and keep indemnified the Investor Director to the fullest extent permitted by law from and against any and all liability incurred by the Investor Director in her/his capacity as a director of the Company or any of its subsidiaries in defending any proceedings, whether civil or criminal; and
 - (iii) and grant the Investor Director and her/his advisers, agents or consultants, access to the books of the Company and each of its subsidiaries and associated companies, if so requested by the Investor Director, for the purpose of the preparation for any proceedings, whether civil or criminal, arising as a result of her/him acting as a Investor director of the Company or any of its subsidiaries, whether or not as at such date the Investor Director is still serving as a director of the Company or any of its subsidiary (as the case may be).
2. The indemnification of the Investor Director in terms of this Article shall cover all costs and expenses properly payable by the Investor Director in connection with any claim.
3. The Company shall reimburse the Investor Director and grant any request for advancement of expenses in connection with any claim made against the Investor Director and which is sought to be indemnified under this Article.
4. In this Article, words importing any gender include the other genders and words importing the singular include the plural and vice versa.
5. No failure on the part of the Investor Director to exercise, and no delay on his/her or their part in exercising, any right or remedy under this Article will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in this Article are cumulative and not exclusive of any rights of remedies (whether provided by law or otherwise).
6. The benefit of any provision of this Article may be enforced by the Investor Director and accordingly the benefit of any provision in this Article may be assigned by the Investor Director without the consent of the Company, subject to such assignment being permitted under applicable law.
7. The provisions of this Article shall be severable and if any term or provision in this Article shall be held to be invalid, void or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part shall to that extent be deemed not to form part of this Article but the enforceability of the remainder of this Article shall not be affected. Furthermore, to the fullest extent legally permissible, the provisions of this Article (including, without limitations, each portion of this Article containing any provision held to be invalid, void or otherwise unenforceable, that is not itself invalid, void or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.
8. This indemnity shall continue without limitation in time notwithstanding that the Investor Director may have ceased to be a director of the Company and/or its subsidiary (as the case may be).
9. The Company confirms that the choice of legal counsel and whether or not to proceed with a case shall be at the Investor Director's sole and absolute discretion.

266. Notwithstanding anything contained elsewhere in these Articles, post the listing of the Equity Shares of the Company in terms of the IPO, the rights of the Investor and the Shareholders as set out in Part II of the Articles – 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264 and 265 (to the extent set out therein), shall cease to be applicable.

(Inserted vide special resolution in Extraordinary General Meeting of the Shareholders held on 05th January 2010)