

Co.No.01-09910



**Certificate for Commencement of Business**

Pursuant of Section 149 (3) of the Companies Act, 1956

I hereby certify that the INNOVATIVE TECH PACK LIMITED

which was incorporated under the Companies Act, 1956, on the 26th  
day of April 199, and which has this day filed a duly verified  
declaration in this prescribed form that the conditions of section 149 (1) (a) to  
(d) / 149(2) (a) to (c) of the said Act, have been complied with is entitled to  
commence business

Given under my hand at HYDERABAD  
this 14th day of November One thousand nine  
hundred and Ninety.



*(Handwritten Signature)*  
(R. VASUDEVAN)  
Registrar of Companies  
Andhra Pradesh.



COMPANY NO. 05-32412.

(SECTION 18(3) OF THE COMPANIES ACT, 1956)

The M/s. INNOVATIVE TECH PACK LIMITED having by Special Resolution altered the provisions of its Memorandum of Association with respect to place of the registered office by changing it from the State of Andhra Pradesh to the State of Haryana and such alteration having been confirmed by an order of the Company Law Board, Southern Region C.P. No. 379/17/SRB/1994 bearing the date of 23rd August, 1994.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at NEW DELHI this Twenty Third day of September One Thousand Nine Hundred and Ninety Four.



*(Signature)*  
(C.P. SINGH)  
ASSTT. REGISTRAR OF COMPANIES,  
NCT OF DELHI & HARYANA.





ग्रामप आइं आर  
Form I.R.

निगमन क प्रमाण-पत्र

# CERTIFICATE OF INCORPORATION

ता..... का सं.....  
No. ~~01-09910~~..... of 1989-90.....

मै एतद्वारा प्रमाणित करता ह कि आज .....

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

I hereby certify that **INNOVATIVE TECH PACK LIMITED**.....

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

मेरे हस्ताक्षर से आज ता..... को दिया गया।

Given under my hand at **Hyderabad**..... this **26th**.....  
day of **April**..... One thousand nine hundred and **eighty nine**.....  
(6th Vaisakha 1911 Baka)



*R.V.*  
*26/4/89*  
(**R. VASUDEVAI**)  
कम्पनियों का रजिस्टर  
Registrar of Companies  
Andhra Pradesh.



**THE COMPANIES ACT, 2013**  
**(COMPANY LIMITED BY SHARES)**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**INNOVATIVE TECH PACK LIMITED**

- I. The Name of the Company is **INNOVATIVE TECH PACK LIMITED**.
- II. The Registered Office of the Company will be situated in the STATE OF HARYANA.
- III. The objects for which the Company is established are:-

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

1. To carry on the business of research, design, develop process, reprocess, refine, synthesise Polymerise fabricate, manufacture, blend, laminate Import, purchase, take on hire, lease, Exchange barter or otherwise acquire and maintain, sell give on hire, lease out, exchange, Barter, export or otherwise dispose off and deal in all kinds of plastic materials, rubber Materials, Resins, monomers, polymers including polythene, polypropylene, polyvenyle Chloride and other synthetic semi Synthetic and natural polymers, their compounds, mixtures and base materials and their blended products, and /or their products like bags, sacks sathets, pouches moulded articles including both injection and blow moulded, enamels, emulsions, fibers, tubes, pipes, wire, ropes, coated cables, sheets, tapes, strips, toils, tubes, pipes, toys, household products containers and other packaging materials, good used in agriculture, defence, industrial and commercial establishments, consumer articles like suit cases, venity cases and other varieties of luggage, laminated articles and goods, foams of all kinds, tyres tubes, automobile spares, and accessories and all other goods, articles, plant and equipment thereof.
2. To carry on the business of research, design, develop, fabricate manufacture, purchase import, take on lease or otherwise acquire and run maintain, repair, alter, give on lease, hire out, export sell or otherwise dispose off and deal in machinery, plant equipment and spares and accessories used for the manufacture of process of any or all plastics, polymers rubber, wooden and other packing material or their base materials.
3. To carry on the business of research, design, devlope, fabricate take on lease, purchase Import manufacture or otherwise acquire, barter, exchange sell, given on hire, export or Otherwise dispose off and deal in types of packing goods, articles made of any and/or all Materials of whatsoever nature.
4. To carry on the business of research , design, develop, process, reprocess, refine, crack, Polymers, Import, manufacture, take on lease hire barter, exchange or otherwise Acquire and to distribute, lease out, hire out, export, synthesize, store, sell or otherwise Dispose off and deal in crude oils, mineral oils, agriculture products, rubber and rubber Products, and their bye-products.
5. To carryon all or any of the business of prospecting, exploring, opening and workingMines" drill and sink sbafts or wells and to pump, refine raise dig and quarry for oil, Petroleum, gold, silver, diamonds, precius stones, coal, earth limestone, Iron, aluminum. Titanium, vanadium, mica, apalite. Chromium, platinum, ruthenium sulphur, tin, Zinc, zircon, Bauxite, tungsten and other ores and minerals.

**(B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:-**

1. To purchase, exchange or otherwise any movable or immovable property and any rights or privileges which the Company may deem necessary or convenient for the purpose of its main business.

2. To enter into partnership or into any arrangement for sharing profits, union of interest, joint venture, reciprocal concession or co-operation with persons or companies carrying on or engaged in the main business or transaction of this Company.
3. To import, buy, exchange, alter, improve and manipulate in all kinds of plants, machinery, apparatus, tools and things necessary or convenient for carrying on the main business of the Company.
4. To vest any movable or immovable property, rights or interests required by or received or belonging to the Company in any person or company on behalf of or for the benefit of the Company and with or without any declared trust infavorof the Company.
5. To purchase, build, carry out, equip, maintain, alter, improve, develop, manage, work, control and superintend any plants, warehouse, sheds, offices, shops, stores, buildings, machinery, apparatus, labor lines, and houses, warehouses, and such other works and conveniences necessary forcarrying on the main business of the Company.
6. To undertake or promote scientific research relating to the main business or class of business of the Company.
7. To take over the whole or any part of the business, goodwill, trade-marks properties and liabilities of any person or persons, firm, companies or undertakings either existing or new, engaged in or carrying on or proposing to carry on business this Company is authorised to carry on, possession of any property or rights suitable for the purpose of the Company and to pay for the same either in cash or in shares or partly in cash and partly in shares or otherwise.
8. To negotiate and enter into agreements and contracts with Indian and foreign individuals, companies, corporations and such other organizations for technical, or any other such assistance for carrying out all or any the main objects of the Company or for the purpose of activity research and development of manufacturing projects on the basis of know-how, or technical collaboration and necessary formulas and patent rights for furthering the main objects of the Company.
9. Subject to the Provisions of the Companies Act 2013, to amalgamate with any other company of which all or any of their objects companies having similar to the objects of the Company in any manner whether with or without the liquidation.
10. Subject to any law for the time being in force, to undertake or take part in the formation, supervision or control of the business or operations of any person, firm, body corporate, association undertaking carrying on the main business of the Company.
11. To apply for, obtain, purchase or otherwise and prolong and renew any patents, patent-rights, brevets, inventions, processes, scientific technical or other assistance, manufacturing processes know-how and other information, patterns, copyrights, trade-marks, licenses concessions and the like rights or benefits, conferring an exclusive or non-exclusive or limited or unlimited right of use thereof, which may seem capable of being used for or inconnection with the main objects of the Company or the acquisition or use of which may seem calculated directly or indirectly to benefit the Company on payment of any fee royalty or other consideration and to use, exercise or develop the same under or grant licenses in respect thereof or otherwise deal with same and to spend money in experimenting upon testing or improving any such patents, inventions, right or concessions.
12. To apply for and obtain any order under any Act or Legislature, charter, privilege concession, license or authorization of any Government, State or other Authority for enabling the Company to carry on any of its main objects into effect or for extending any of the powers of the Company or for effecting and modification of the constitution of the Company or for any other such purpose which may seem expedient and to oppose any proceedings or applications which may seem expedient or calculated directly or indirectly to prejudice the interest of the Company.
13. To enter into any arrangements with any Government or Authorities or any persons or companies that may seem conducive to the main objects of the Company or any of them and to obtain from any such Government, authority, person or company any rights, charters, contracts, licenses and concessions which the Company may think desirable to obtain and to carry out, exercise and comply therewith.

14. To procure the Company to be registered or recognized in or under the laws of any place outside India and to do all act necessary for carrying on in any foreign country for the business or profession of the Company.
15. To draw, make, accept, discount, execute and issue bills of exchange, promissory notes bills of lading, warrants, debentures and such other negotiable or transferable instruments, of all types or securities and to open Bank Accounts of any type and to operate the same in the ordinary course of the Company.
16. To advance money either with or without security, and to such persons and upon such terms and conditions as the Company may deem fit and also to deal with the money of the Company not immediately required.
17. To undertake and execute any trusts, the undertaking of which may seem to the Company desirable, either gratuitously or otherwise.
18. To establish, or promote or concur in establishing or promote any company for the purpose of dealing all or any of the properties, rights and liabilities of the Company.
19. To sell, mortgage, exchange, grant licenses and other rights improve, manage, develop and dispose of undertakings, properties, assets and effects of the company or any part thereof for such consideration as may be expedient and in particular for any shares, stocks, debentures or other securities of any other such company having main objects altogether or in part similar to those of the Company.
20. Subject to the Provisions of Companies Act 2013, to distribute among the members in specie or otherwise any property of the Company or any proceeds of sale or disposal of any property of the Company in the event of windingup.
21. To distribute as dividend or bonus among the member or to place to reserve or otherwise to apply, as the Company may, from time to time, determine any money received by way of premium on debentures issued at a premium by the Company and any money received in respect of forfeited shares, money arising from the sale by the Company of forfeited shares subject to the provisions of Sec. 52of the Companies Act,2013.
22. To employ agents or experts to investigate and examine into the conditions, prospects value, character and circumstances of any business concerns and undertakings and generally of any assets properties or rights which the Company purpose to acquire.
23. To create any reserve fund, sinking fund, or any other such special funds whether for depreciation, repairing, improving, research, extending or maintaining any of the properties of the Company or for any other such purpose conducive to the interest of the Company.
24. Subject to the provisions of Section 179, 182 & 183 of Companies Act, 2013, to subscribe contribute, gift or money, rights or assets for any national educational, religious, charitable, scientific, public, general or usual objects or to make gifts or such other assets to any institutions, clubs, societies, associations, trusts, scientific research associations, funds, universities, college or any individual, body of individuals or bodies corporate.
25. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation, provident or gratuity funds for the benefit of and give of procure the giving of the gratuities pensions, allowances, bonuses or emoluments of any persons who are or were at any time in the employment or service of the company or any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company or who are or were at any time Directors or officers of the Company or any other company as aforesaid and the wives, widows, families and dependents of any such persons and also to establish and subsidise and subscribe to any institutions, associations, club or funds calculated to be for the benefit of or advance aforesaid and make payments to any such persons as aforesaid and to do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
26. To establish, for any of the main objects of the Company, branches or to establish any firm or firms at places in or outside India as the Company may deem expedient.
27. To pay for any property or rights acquired by or for any services rendered to the Company and in particular to remunerate any person, firm or company introducing business to the company either in cash or fully or partly-paid up shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise or by any securities which the company has power to issue or by the grant of any rights

or options or partly in one mode and partly in another and generally on such terms as the company may determine.

28. To pay out of the funds of the company all costs, charges and expenses of and incidental to the formation and registration of the company and any company promoted by the company and also all costs, charges, duties, impositions and expenses of and incidental to the acquisition by the company of any property or assets.
  29. To send out to foreign countries, its director, employees or any other person or persons for investigation possibilities of main business or trade procuring and buying any machinery or establishing trade and business connections or for promoting the interests of the company and to pay all expenses incurred in the connection.
  30. To compensate for loss of office of any Managing Director or Directors or other officers of the Company within the limitations prescribed under the Companies Act or such other statute or rule having the force of law and to make payments to any person whose office of employment or duties may be determined by virtue of any transaction in which the Company is engaged.
  31. To agree to refer to arbitration any dispute, present or future between the Company and any other company, firm, individual or any other body and to submit the same to arbitration in India or abroad either in accordance with Indian or any foreign system of law.
  32. To appoint agents, sub-agents, dealers, managers canvassers, sales, representatives or salesmen for transacting all or any kind of the main business of which this Company is authorised to carry on and to constitute agencies of the Company in India or in any other country and establish depots and agencies in different parts of the world.
- IV. The Liability of the members is Limited this liability is limited to the amount unpaid, if any, on the shares held by them.
- V. The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crore) divided into 15,00,00,000 (Fifteen Crore) Equity Shares of Rs. 1/- (Rupees One) each.

We the several persons whose names, addresses and description are subscribed hereto are desirous of being formed into a company in pursuance of the Memorandum of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite of our respective names.

Sl. No.	Name, Address, description and occupation of the subscriber with their Signatures	No. of Equity Shares taken by each Subscriber	Name, Address, description Occupation of the Signature of witness to subscriber
1	K. SAYAJI RAO S/o K. Satyanarayana Rao 6-3-247, Laxmi Bhavan, Road No. 1, Banjara Hills Hyderabad - 34, Occu : Business : Sd/-	100 (Hundred)	
2	K. CHANDRA SEKHARA RAO S/o K. Satyanarayana Rao 82, Caseblanca Cuffe Parade, Colada, Bombay-5, Occu : Business : Sd/-	100 (Hundred)	
3.	Mrs. K. PRATIBHA W/o K. Sayaji Rao 6-3-247, Laxmi Bhavan, Road No. 1, Banjara Hills, Hydarabad-34 Occu : Housewife Sd/-	100 (Hundred)	A. RAMA RAO S/o A. R. Pantulu 1-2-383, Gaganmahal Hyderabad Occu : Chartered Accountant Sd/-
4.	Y.NARA YANA MURTHY S/o. Y. Seshagiri Rao Nallamothu House, Greenlands, Begumpet, Hyderabad, Occ : Business Sd/-	100 (Hundred)	
5.	Dr. M. VENKA TESHWARA RAO S/o. M. Akkaiah 3-6-271, Himayatnagar, Hyderabad, Occ : Doctor Sd/-	10 (Ten)	

Date :

Place :

SI. No.	Name, Address, description and occupation of the subscriber with their Signatures	No. of Equity Shares taken by each Subscriber	Name, Address, description Occupation of the Signature of witness to subscriber
6.	Mrs. M. SAROJINI DEVI W/o M. Vankateswara Rao 3-6-271, Himayatnagar, Hyderabad Occu : Housewife Sd/-	10 (Ten)	
7.	K. VENKATESHWARA RAO S/o K. Kotaiah Papiah Street Gandhi Nagar Vijaywada Occu : Business Sd/-	10 (Ten)	
8.	P. RAMA KRISHNA S/o P. Seshagiri Rao 5-4-187/5, Karbala Maidan, M.G. Road, Secunderabad-3 Hydarabad-34, Occu : Employment Sd/-	10 (Ten)	A. RAMA RAO S/o A. R. Pantulu 1-2-383, Gaganmahal Hyderabad Occu : Chartered Accountant Sd/-
	Total No. of Equity Shares	<u>440</u>	
	Taken	(Four Hundred and Forty)	

Date :

Place :

**THE COMPANIES ACT, 2013**  
**(A COMPANY LIMITED BY SHARES)**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**INNOVATIVE TECH PACK LIMITED**  
**PRELIMINARY**

Save as may be otherwise provided for in these Articles, the Regulations contained in Table 'F' of Schedule I to the Companies Act, 2013, as applicable to public limited company, shall apply to the Company.

**DEFINITIONS & INTERPRETATION**

1.1 Definitions

In these Articles unless repugnant to the context or otherwise excluded:

- (i) **“Act”** means the Companies Act, 2013 and any statutory modifications thereto or reenactment thereof for the time being in force;
- (ii) **“Affiliate”**, with reference to any Corporate Person, shall mean any other Corporate Person which, directly or indirectly is a holding company or subsidiary of such first named Corporate Person or which directly or indirectly: (a) owns or Controls such first named Corporate Person; or (b) is owned or Controlled by such first named Corporate Person;
- (iii) **“Annual General Meeting”** means a General Meeting of the Members held in accordance with the provisions of Section 96 of the Act or any adjourned Meeting thereof;
- (iv) **“Applicable Law”** means the laws of India, including any statute, law, ordinance, rule, administrative interpretation, regulation, policy statement or guidelines, Print Media Guidelines, order, writ, injunction, directive, judgment or decree (whether central, state, local municipal or otherwise), as the case may be;
- (v) **“Beneficial Owner”** means a Person or Persons whose name is recorded as such with a Depository;
- (vi) **“Board of Directors”** or **“Board”** means the Board of Directors of the Company duly constituted for the time being;
- (vii) **“Books”** means all books of account and other books, records and papers required to be maintained by the Company pursuant to the provisions of the Act;
- (viii) **“Company”** means “Innovative Tech Pack Limited”, a company incorporated under the Act, having its Registered Office in the State of Haryana.
- (ix) **“Contract”** or **“Contracting”**, includes any legally enforceable contract, agreement, commitment, obligation, undertaking or understanding, including, without limitation, any note, bond, mortgage, indenture, license or lease;
- (x) **“Control”** or **“Controlled”** shall mean the power to direct the management, operations and/or policies of such first named Person, and the terms *“holding company”* and *“subsidiary”* shall have the meanings ascribed to them under Section 4 of the Act;
- (xi) **“Corporate Person”** means corporation, company, partnership, limited liability company, joint venture, association or trust or any other entity or organization, but does not include an Individual;

- (xii) “**Debenture**” includes debenture-stock, bonds or any other instrument of a company evidencing a debt, whether constituting a charge on the assets of the Company or not;
- (xiii) “**Depository**” means a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996.
- (xiv) “**Director**” includes any person occupying the position of director, by whatever name called.
- (xv) “**Encumbrances**” means any mortgage, pledge, hypothecation, equitable interest, prior assignment, conditional sales Contract, right of others, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, litigation, rights of minor Persons or other condition, commitment, restriction or limitation of any kind or nature whatsoever, including restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership;
- (xvi) “**Equity Share**” or “**Share**” means a share in the share capital of a Company and includes stock;
- (xvii) “**Extraordinary General Meeting**”, means an extraordinary general meeting of the Members duly called and constituted and any adjourned General Meeting thereof;
- (xviii) “**Financial Year**” means April 1<sup>st</sup> of a calendar year to 31<sup>st</sup> March of the next calendar year and shall include such other period in lieu thereof as may be approved by the Board;
- (xix) “**Governmental Authority**” means the Republic of India, any State of India, and any local authority or any political subdivision thereof and includes (i) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including, without limitation, the Reserve Bank of India, or any other government or statutory or regulatory authority, agency, department, board, commission or instrumentality of the Republic of India, any State of India, any local authority or any political subdivision thereof, and/or any court, tribunal or arbitrator(s) of competent jurisdiction, and (ii) any governmental, statutory or non-governmental autonomous or self-regulatory organization, agency, Person or authority discharging such functions;
- (xx) “**Individual**” means a natural Person;
- (xxi) “**Managing Director**” means the Managing Director(s) appointed in terms of clause (54);
- (xxii) “**Material Variance**” means a variance exceeding  $\pm 10\%$  in total income, total operating expenses, total net profit, capital expenditure, total assets, borrowings and other liabilities;
- (xxiii) “**Meeting**” or “**General Meeting**” means a meeting of Members;
- (xxiv) “**Members**” means the Shareholders of the Company whose names appear in the register of Members of the Company;
- (xxv) “**Memorandum of Association**” means the Memorandum of Association of the Company for the time being in force;
- (xxvi) “**Office**” means the registered office for the time being of the Company.
- (xxvii) “**Paid-Up Capital**” means the paid-up Equity Share capital of the Company;
- (xxviii) “**Person**” means any Individual and Corporate Person;
- (xxix) “**Regulatory Approvals**” means all consents, permits, permissions, approvals and authorizations required under Applicable Law from any Governmental Authority for doing any act, deed or thing;
- (xxx) “**Shareholder**” means any of the shareholder of the Company and any other Person who becomes a holder of Equity Shares in accordance with the terms of these Articles whose names appear in the register of Members of the Company; and “**Shareholders**” means collectively, all of them;

## 1.2 Interpretation

- i) The words and phrases used in these Articles but not defined herein shall have, *mutatis-mutandis*, the samemeaning asdescribed to them in the Act.
- ii) The headings and subheadings in this Article are included for convenience and identification only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Article or anyprovision hereof in any manner whatsoever.
- iii)
  - a. The definitions in Clause 1 shall apply equally to both the singular and plural form of the terms defined.
  - b. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter form.
  - c. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”.
  - d. Unless the context otherwise requires, (a) all references to Clauses, are to Clauses of these Articles; and (b) the terms “herein”, “hereof”, “hereunder” and words of similar import refer to these Articles as a whole.
  - f. The transaction of the company shall be restricted to its shareholders only. For the purpose of these articles an applicant for shares in the company whose application has been accepted by an officer authorized by the board of directors shall be deemed to be a shareholder eligible to enter into transaction with the company.

## SHARE CAPITAL

2. The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in clause V of Memorandum of Association, capable of being increased or decreased in accordance with the Company’s regulations and legislative provisions for the time being in force in that behalf with the powers to divide the Share capital whether original or increased or decreased into several classes and attach thereto respectively such rights and privileges as are allowed under Applicable Law.
3. The Board may from time to time, with the sanction of the Company in a General Meeting by ordinary resolution increase the authorized Share capital of the Company by such sum to be divided into Shares of such amount and of such classes with such rights and privileges attached thereto as the General Meeting shall direct by specifying the same in the resolution and if no directions be given as the Board may determine.
4. The Company may, subject to the provisions of Sections 66 of the Act reduce in any manner, fromtime to time,
  - a. by special resolution its Paid-up Share capital;
  - b. Anycapital redemption reserve fund or any securities premium account.
5. Subject to the provisions of these Articles, the Board shall have the power to allot, grant, have option over or otherwise deal with or dispose of them to such Person at such times and generally on such terms and conditions, as the Board may deem fit.
6. Subject to the provisions of these Articles, the Company shall have power to alter the conditions of the Memorandum relating to Share capital as follows, that is to say it may
  - (a) increase its Share capital by such amount as it thinks expedient by issuing new Shares;

- (b) Consolidate and divide all or any of its Share capital into Shares of larger denomination than its existing Shares;
- (c) sub-divide its Shares or any of them into Shares of smaller amount than is fixed by the Memorandum so, however, that, in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share, from which the reduced Share is derived;
- (d) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.
- (e) cancel any Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any Person and diminish the amount of its Share capital by the amount of the shares as cancelled, provided, however, that the cancellation of Shares in pursuance of the exercise of this power shall not be deemed to be a reduction of Share capital within the meaning of the Act.

## SHARES

7. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the company are liable, to be redeemed on such terms and in such manner as the company before the issue of the shares may, by Ordinary resolution, determine.

Further Subject to the provisions of Section 55 of the Act and these Articles, the Board shall have the power to issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in a General Meeting to give to any Person or Persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Board think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.

8. An application signed by or on behalf of an applicant for Shares in the Company followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles and every Person who, thus or otherwise agrees to accept in writing the Shares and whose name is entered on the register of Members shall for the purpose of these Articles, be a Shareholder.
9. If by the conditions of allotments of any Shares, the whole or a part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the Person who, for the time being and from time to time shall be the registered holder of the Shares of his heirs, executors, administrators and legal representatives.
10. Every Member or his heirs, executors, assignees or other representatives shall pay to the Company the portion of the capital represented by his Share or Shares which may for the time being remain unpaid thereon, in such amounts at such time or times and in such manner as the Board shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof and so long as any moneys are due, owing and unpaid to the Company by any Member on any account. However, such Member in default shall not be entitled at the option of the Board, to exercise any rights or privileges available to him.
11. If any Shares stand in the name of two or more Persons, the one first named in the register of Members shall as regards receipt of dividend bonus or service of notice and all or any other matters connected with the Company, except voting at Meetings and the transfer of Shares, be deemed the sole-holder thereof but joint

– holder of Shares shall be severally as well as jointly liable for the payment of the installments and calls in respect of such Shares and for all incidents thereof according to the Company's regulations.

## **TERM OF ISSUE OF DEBENTURE**

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

## **CALLS**

13. The Board may, from time to time and subject to the terms on which any Shares have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board make such call as it thinks fit upon the Members in respect of all moneys unpaid on the Shares held by them respectively, and each Member shall pay the amount of every call so made on him to the Person or Persons and at the times and places appointed by the Board. A call may be made payable by installments.

Provided that proviso to Article 13(1) of Table F of Schedule I of the Companies Act, 2013 shall not be applicable.

14. Fifteen days notice in writing of any call shall be given by the Board specifying the time and place of payment, and the Person or Persons to whom such call shall be paid.
15. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board.
16. A call may be revoked or postponed at the discretion of the Board.
17. The option or right to make call on Shares shall not be given to any Person except with the sanction of the Company in a General Meeting.
18. The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
19. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members who, the Board may deem fairly entitled to such extension, but no Member shall be entitled to such extension save as a matter of grace and favour.
20. 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 of 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, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.
21. Any sum, which may be the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.
22. 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 money claimed to be due to the Company in respect of his Shares, 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 as the holder, at or subsequent to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of such money is sought to be recovered; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles and that 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 duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

23. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.
24. The Board may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or in advance or so much thereof, as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as the Member paying the sum in advance and the Board agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become payable. The provision of this Article shall mutatis mutandis apply to the calls on Debentures.

#### **FORFEITURE OF SHARES**

25. Subject to the provisions of the Act, for the forfeiture of shares the Company shall issue notice and it shall:
  - (a) 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 call or installment and such interest and expenses as aforesaid are to be paid; and
  - (b) state that in the event of non-payment on or before the day so named at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.
26. If the requirements of any such notice as aforesaid are not complied with, any Shares, in respect of which the notice has been given, may, at any time thereafter before the payment required by the notice has been made, be forfeited by the resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Shares and not actually paid before the forfeiture.
27. When any Shares shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register of Members but no forfeiture shall be in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.
28. Any Share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner, as the Board may think fit.
29. At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms, as it thinks fit.
30. A Person, whose Shares have been forfeited, shall cease to be the Member in respect of the forfeited Shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys, all calls, or installment, interest and expenses, owing in respect of such Share at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment thereof, to any party thereof, without any deduction or allowance for the value of the Shares at the time of forfeiture, but shall not be under any obligation to do so.

31. The forfeiture of a Share involves extinction, at the time of the forfeiture, of all interest and all claims and demands against the Company in respect of the Share and all other rights, incidental to the Share except only such of those rights as by these Articles are expressly saved.
32. A duly verified declaration in writing that the declarant is a Director of the Company, and that certain Shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the Shares and such declaration and the receipt of the Company for the consideration, if any, given for the Shares on the sale/ or disposition thereof shall constitute a good title to such Shares; and the Person to whom any such Share as sold shall be registered as the Member in respect of such Share and shall not be bound to see to the application of the purchase money, nor shall his title to such Share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.
33. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said Shares to the Person or Persons, entitled thereto.

## **TRANSFER OF SHARES**

34. There shall be a proper instrument of transfer, which shall be in writing and all the provisions of Section 108 of the Act and of any statutory modification thereof for the time being, shall be duly complied with in respect of all transfer of Shares and the registration thereof.
35. Every instrument of transfer duly stamped must be accompanied by the certificate of Shares proposed to be transferred and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the Shares.
36. 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.
37. Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the register of Members in respect thereof. The Board shall not issue or register a transfer of any Share in favour of a minor (except in cases when they are fully paid up).
38. The Board shall have power on giving seven days previous notice by advertisement in some newspaper circulating in the district in which the Office of the Company is situated 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, as it may deem expedient.
39. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of Members) to the prejudice of Persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board shall so think fit.
40. Notwithstanding anything stated elsewhere in these Articles, the Directors shall be entitled to take all necessary steps to ensure compliance with Applicable Law and subject to the provisions of Section 111A of the Act,

Section 22A of the Securities Contracts (Regulation) Act, 1956 and the other provisions of Applicable Law, the Board may, at its own absolute and uncontrolled discretion and by giving reasons, inter alia, decline to register or acknowledge any transfer of Shares whether fully paid or not. The right of refusal of the Board shall not be affected by the circumstances that the proposed transferee is already a Member of the Company, but in such cases the Board shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer provided that 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 when the Company has lien on Shares. Transfer of Shares/Debentures in whatever lot shall not be refused.

41. The Company shall keep at its Office the register of Members and therein shall firmly and distinctly enter the particulars of every transfer or transmission of Shares. Subject to the provisions of Section 154 of the Act, the Board shall have power to close the register of Members for such periods, not exceeding forty five days in aggregate in a year and thirty days at any one time, as may seem expedient to them.

## **DEMATERIALIZATION OF SECURITIES**

42. Notwithstanding anything to the contrary contained in any other Articles-
- a) The Company shall be entitled to dematerialize securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.
  - b) Every holder of or subscriber to securities of the Company shall have the option to receive certificates for such securities 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 securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates for the securities. If a Person opts to hold his securities with the Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.
  - c) 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 on behalf of the Beneficial Owners.
  - d)
    - (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities of the Company on behalf of the Beneficial Owner.
    - (ii) Save as required by the Applicable Law, 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.
    - (iii) Every Person holding securities of the Company and whose name is entered as the Beneficial Owner of securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a Depository and shall be deemed to be a Member of the Company.
  - e) Notwithstanding anything contained in the Act or these Articles to the contrary, where securities of the Company are held in a Depository, the records of the Beneficiary Ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
  - f) Nothing contained in Section 108 of the Act or these Articles, shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

- g) Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.
- h) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.
- i) The register of Members and Index of Beneficial Owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.

## TRANSMISSION OF SHARES

43. Every holder of Shares in, or Debentures of the Company may at any time nominate, in the manner prescribed under the Act, a Person to whom his Shares in or Debentures of the Company shall vest in the event of death of such holder. Where the Shares in, or Debentures of the Company are held by more than one Persons jointly, the joint holders may together nominate, in the prescribed manner, a Person to whom all the rights in the Shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.

Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such Shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any Person the right to vest the Shares in, or Debentures of the Company, the nominee shall, on the death of the Shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the Shares or Debentures of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.

44. Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any Person to become entitled to the Shares in or Debentures of the Company, in the event of his death, during the minority.
45. Any Person who becomes a nominee by virtue of the provisions of these Articles upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either:
- a) to be registered himself as holder of the Shares or Debentures, as the case may be;
  - b) to make such transfer of the Shares or Debentures, as the case may be, as the deceased Shareholder or Debenture holder, as the case may be, could have made; or
  - c) if the nominee, so becoming entitled, elects himself to be registered as holder of the Shares or Debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased Shareholder or Debenture holder and the certificate(s) of Shares or Debentures, as the case may be, held by the deceased in the Company.
46. Subject to the provisions of Section 109 B (3) of the Act and these Articles, the Board may register the relevant Shares or Debentures in the name of the nominee of the transferee as if the death of the registered holder of the Shares or Debentures had not occurred and the notice or transfer were a transfer signed by that Shareholder or Debenture holder, as the case may be.
47. A nominee on becoming entitled to Shares or Debentures by reason of the death of the holder, or joint holders shall be entitled to the same Dividend and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture, except that he shall not before being registered as holder of such Shares or Debentures, be entitled in respect of them to exercise any right conferred on a Member or Debenture holder in relation to Meetings of the Company.

48. The Board may, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the Shares or Debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, interest or other moneys payable or rights accrued or accruing in respect of the relevant Shares or Debentures, until the requirements of the notice have been complied with.
49. Subject to the provisions of these Articles, any Person becoming entitled to Shares in consequence of the death, lunacy, 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 that he sustains the character in respect of which he proposes to act under this Article of his title, act, as the holder of the Shares or elect to have some Person nominated by him and approved by the Board, registered as such 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 in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Shares.
50. A Person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any dividends or other moneys payable in respect of the Share.

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

51. Where at the time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares, then:
- (a) Such further Shares shall be offered to the Persons who at the date of the offer, are holders of the Equity Shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on these Shares at the date;
  - (b) Such offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined;
  - (c) The offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the Shares offered to them in sub clause (b) hereof shall contain a statement of this right. Provided that the Board may decline, without assigning any reason to allot any Shares to any Person in whose favour any Member may renounce the Shares offered to him;
  - (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the Person to whom such notice has been given that he declines to accept the Shares offered, the Board may dispose of them in such manner and to such Person(s) as they may think, in their sole discretion, fit.
52. Notwithstanding anything contained in Article 51 hereof, the further Shares aforesaid may be offered to any Person (whether or not those Persons include the Persons referred to in clause (a) of Article 51 hereof) in any manner whatsoever.
- (a) If a special resolution to that effect is passed by the Company in General Meeting, or
  - (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote by the chairman) by the Members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied on an application made by the Board in this behalf that the proposal is most beneficial to the Company.

53. Nothing in these Articles hereof shall be deemed:

- (a) To extend the time within which the offer should be accepted; or
- (b) To authorise 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.

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

- (i) To convert such Debentures or loans into Shares in the Company; or
- (ii) To subscribe for Shares in the Company (whether such option is conferred in these Articles or otherwise)

Provided that the terms of issue of such Debentures or the terms of such loans include a term providing for such option and such term.

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

## **LIEN**

54. The Company shall have a first and paramount lien upon all the Shares/ Debentures (other than fully paid-up Shares/Debentures) registered in the name of each Member/ Debenture holder (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares and no equitable interest in any Shares shall be created except upon the footing and condition that this Article will have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares. Unless otherwise agreed, the registration of a transfer of Shares shall operate as a waiver of the Company's lien, if any, on such Shares/ Debentures. The Board may at any time declare any Shares/Debentures wholly or in part to be exempt from the provisions of this clause.

## **CERTIFICATE OF SHARES**

55. Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Board so approves (upon paying such fee as the Board may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and deliver such certificates within three months from the date of allotment, or within two month of the receipt of applications of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Board may prescribe or approve, provided that in respect of a Share or Shares held jointly by several Persons, the Company shall not be bound to issue and deliver more than one certificate and delivery of a certificate of Shares to one of several joint holders shall be sufficient delivery to all such holders.

56. 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 is lost or destroyed then upon proof thereof to the satisfaction

of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Board shall prescribe. Provided that no fee shall be charged for issue of a 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 or transfer.

Provided that notwithstanding what is stated above the Board shall comply with such Rules or Regulation or requirements of any stock exchange or the Rules made under the Act or the Rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act, or Rules applicable in this behalf.

57. The provisions of Articles 54 and 55 shall mutatis mutandis apply to Debentures of the Company.

## **PROCEEDINGS OF GENERAL MEETINGS**

58. Subject to the provisions of the Act, the Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meetings in that year. All General Meetings other than Annual General Meeting shall be Extraordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and the next Annual General Meeting shall be held within six months after the expiry of the Financial Year in which the first Annual General Meeting was held and thereafter, 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 one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon 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. Every Annual General Meeting shall be called for on a time during business hours, on a day that is not a public holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated as the Board may determine and the notices calling the General Meeting shall specify it as the Annual General Meeting. The Company may in any Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the auditor of the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business that concerns him as the auditor. At every Annual General Meeting of the Company there shall be laid on the table the proxy register with proxies and the register of Directors' share holdings of which the latter register shall remain open and accessible during the continuance of the Annual General Meeting. The Board shall cause to be prepared the Annual Return, Balance Sheet and Profit and Loss Account and any other documents required to be attached thereto under the Act or rules made there under and forward the same to the Registrar of Companies in accordance with Sections 159, 161 and 220 of the Act.
59. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the Paid-Up Capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
60. Any valid requisition so made by Members must state the objects of the Meeting proposed to be called and must be signed by the requisitionists and be deposited at the Office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
61. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the Office to cause a Meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represents either a majority in value, of the paid-up share capital of the Company as is referred to in Section 169(4) of the Act, which ever is less, may themselves call the Meeting, but in either case, any Meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

62. Any Meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which General Meetings are to be called by the Board.
63. Subject to the provisions of the Act, a general meeting may be convened by giving not less than twenty-one days notice or a shorter notice thereof for every General Meeting, Annual or Extraordinary and by whosoever called, specifying the day, place and hour of the Meeting, and shall contain a statement of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such Persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the Members entitled to vote thereat and in the case of any other Meeting, with the consent in writing of the Members holding not less than 95 percent of such part of the Paid Up Capital of the Company as gives a right to vote at the Meeting may be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than

- a) the consideration of the accounts, balance sheets and reports of the Board of Directors and auditors,
- b) the declaration of dividend,
- c) the appointment of Directors in place of those retiring,
- d) the appointment of, and fixing of remuneration of the auditors,

is proposed to be transacted then in that event there shall be annexed to the notice of the General Meeting a statement setting out all material facts concerning each such item of business including, in particular, the nature of concern or interest, if any, therein of every Director, and the manager (if any).

Where any such item of special business relates to or affects any other company, the extent of shareholding interest in 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. Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

64. The accidental omission to give any such notice as aforesaid to any of the Members or the non receipt thereof shall not invalidate the holding of the General Meeting or any resolution passed at any such General Meeting.
65. No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.
66. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.
67. The Chairman (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary, if there be no such Chairman of the Board, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the chair, then the Directors present may choose one of their Member to be the Chairman of the meeting. If no Director be present or if all the Directors present decline to take the chair, then the Members present shall elect one of their number to be Chairman.
68. The Chairman with the consent of the Members may adjourn any Meeting from time to time and from place to place in the city in which it is held but, no business shall be transacted at any adjourned Meeting other than the business, left unfinished at the Meeting from which the adjournment took place. When a Meeting is adjourned for more than 30 days, notice of the adjourned Meeting shall be given as in the case of an original Meeting. Save as aforesaid, it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned Meeting.

69. Subject to the provisions of the Act, at any General Meeting a resolution put to vote at the Meeting shall be decided on a show of hands, unless a poll is before or on the declaration of the result of the show of hands, demanded by any member having the right to vote on the resolution and present in person or by proxy, or by the Chairman of the Meeting or by any Member or Members holding not less than one-tenth of the total voting power in respect of the resolution or by any Member or Members present in person or by proxy and holding Shares in the Company conferring a right to vote on the resolution, being Shares on which an aggregate sum has been paid-up on all the Shares conferring that right and unless a poll is demanded, a declaration by the Chairman that a resolution has on a show of hands, been carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.
70. In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
71. If a poll is demanded as aforesaid, the same shall, subject to the provisions of these Articles be taken at such time (not later than forty-eight hours from the time when the demand was made) 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 General Meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
72. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting provided such Member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutinizer from office and fill vacancies in the office of scrutinizer from such removal or from any other cause.
73. Any poll duly demanded on the election of Chairman of a Meeting or on any question of adjournment shall be taken at the Meeting forthwith.
74. The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded.
75. Subject to the Articles for the time being in force, the quorum for a General Meeting shall be five Shareholders present in Person or by attorney (in case of corporate members, their authorised persons so appointed shall be deemed to be present in persons). If the quorum is not present within half hour of the scheduled time for holding of the General Meeting, the Meeting shall be adjourned for two weeks and reconvened at the same time of the day and place and if such day is a public holiday then to the immediately succeeding day which is not a public holiday, and if at such rescheduled Meeting quorum is not present within thirty (30) minutes of the time appointed for the Meeting, the Shareholders present shall form the quorum for the General Meeting.

## **VOTING RIGHTS**

76. No Member shall be entitled to vote either personally or by proxy/attorney, at any General Meeting or meeting 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.
77. 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 in person or by proxy or by attorney and to speak and vote at such Meeting, and on a show of hands every Member present in person or through attorney shall have one vote and upon a poll the voting rights of every Member present in person or by proxy or by attorney shall be in proportion to his Shares of the Paid-Up Capital of the

Company. Provided, however, if any preference Shareholder be present at any Meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the Meeting which directly affect the rights attached to his preference Shares.

78. On a poll taken at 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 used or may abstain from voting.
79. A Member who has become unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote either on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may on poll vote by proxy and if any Member be a minor, the vote in respect of his Share or Shares shall be by his guardian, or any of his guardians, if more than one, to be selected in case of dispute by the Chairman of the Meeting.
80. If there be joint holders of any Shares, anyone of such Person may vote at any Meeting or may appoint another Person (whether a Member or not) as his proxy or attorney in respect of such Shares. 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 of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other joint-holder(s) shall 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 to be deemed jointholders thereof.
81. Subject to the provisions of these Articles, votes may be given either personally or by proxy or by attorney. A body corporate being a Member may vote either by a 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 rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an Individual Member.
82. Any Person entitled 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 forty eight hours at least 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 or the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.
83. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer 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.
84. 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.
85. A Member present by proxy shall be entitled to vote only on a poll.
86. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarized copy of that power of attorney or other authority shall be deposited at the Office not later than forty eight hours before the time for holding the Meeting at which the Person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. 'No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
87. 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.

88. 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 any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the Office before the Meeting.
89. No objection shall be made to the 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 or by attorney, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.
90. Notwithstanding any thing contained in the foregoing, the Company shall transact such business, as may be specified by the Central Government from time to time, through the means of postal ballot. In case of resolutions to be passed by postal ballot, no Meeting need to be held at a specified time and space requiring physical presence of Members to form a quorum. Where a resolution will be passed by postal ballot the Company shall, in addition to the requirements of giving requisite clear days notice, send to all the Members the following:
- a) Draft resolution and relevant explanatory statement clearly explaining the reasons thereof.
  - b) Postal ballot for giving assent or dissent, in writing by Members and
  - c) Postage prepaid envelope (by registered post) for communicating assents or dissents on the postal ballot to the Company with a request to the Members to send their communications within 30 days from the date of dispatch of notice.
91. The Company shall also follow such procedure, for conducting vote by postal ballot and for ascertaining the assent or dissent, as may be prescribed by the Act and the relevant Rules made thereunder.

## MINUTES

92. The Board shall cause minutes of all proceedings of General Meetings and of all proceedings at meetings of the Board or of committee of the Board to be duly entered in Books to be maintained for that purpose in accordance with Section 193 of the Act.
93. The minutes of each meeting shall contain:
- (a) The fair and correct summary of the proceedings thereat
  - (b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such Books shall be dated and signed by the Chairman of the same meeting or in the event of the death or liability 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 names of the Directors present at the meeting, in case of meeting of the Board or Committee of Board.
  - (e) The names of the Directors, if any, dissenting from or not consenting to the resolution, in the case of each resolution passed at the meeting of Board or Committee of Board.
  - (f) All appointments of officers made at any meeting.
  - (g) Any such minutes shall be evidence of the proceedings recorded therein.

- (h) The Book containing the minutes of proceedings of General Meetings shall be kept at the 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.

## **CONSTITUTION OF THE BOARD AND BOARD MEETINGS**

94. Except as otherwise required by the Articles, all resolutions and decisions of the Board shall be by vote of a majority of the Directors present at a duly convened meeting of the Board. Except as otherwise required by the Articles of Association or the Act, any action which can be taken by the Board at a duly convened meeting may also be taken by a resolution by circulation as provided Article 102(iv) below.

### **95. General Powers**

- (i) The property, business and affairs of the Company shall be managed exclusively under the supervision and direction of the Board save and except as the Applicable Law and the Articles of Association may otherwise provide or allocate responsibility for any matter to any Shareholder or Director or any other Person. The Board may exercise all such powers of the Company and have such authority and do all such lawful acts and things as are permitted by Applicable Law and the Company's Memorandum of Association and the Articles of Association.
- (ii) Subject to the Applicable Law and the Articles of Association, the Board shall be entitled to delegate such of its powers and functions to such of its committees, Director (s) or officers of the Company as the Board may in its sole discretion deem appropriate.

### **96. Constitution of the Board**

- (i) Subject to the provisions of section 252 read with 259 of the Act, the number of Directors of the Company shall not be less than three and not more than twelve including nominees of the Lending Institutions or debenture holder etc.

Further, any increase beyond the said limit shall not have any effect unless approved by the Central Government under Section 259 of the Act.

- (ii) The following persons shall be the first directors of the Company:

- (i) Mr. K SAYAJI RAO
- (ii) Mr. CAHNDERA SEKHARA RAO
- (iii) Mr. NARAYANA MURTHY

- (iii) If at any time the Company obtains any loan or any assistance in connection there with by way of guarantee or otherwise from any person, firm, body corporate, local authority or public body (hereinafter called "the institution") or if at any time the Company issues any Shares or Debentures and enters into any contract or arrangement with the institution, whereby the institution subscribes for or underwrites the issue of the Company's Shares or Debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more directors to the Board of the Company, subject to the terms and conditions of such loan, assistance, contract or arrangement, the institution shall be entitled to appoint one or more director or directors, as the case may be, to the Board of the Company and to remove from office any director so appointed and to appoint another in his place or in the place of the director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the registered office of the Company. The director or directors so appointed shall not be liable to retire by rotation and shall continue in the office for so long as the relative loan, assistance, contract or arrangement, as the case may be, subsists.

- (iv) 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 such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a director accordingly. Any director so appointed is 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 liable to retire by rotation and shall continue in the office for so long as the debentures are not redeemed.
- (v) If the Company at any time has a minimum paid up capital of Rupees five crores or such sum as may be prescribed and at least one thousand or more small shareholders, then the Company may, suo moto or upon requisition of not less than one-tenth of the total number of small shareholders, proceed to appoint a nominee from amongst the small shareholders as a Director of the Company. The small shareholders' director shall before his appointment, file his consent, to act as a director, in writing to the Company and the tenure of such appointment shall be three years at a time without retirement by rotation, but shall be eligible for reappointment for another tenure. He shall, however, not be appointed as Managing Director or whole time director under any circumstances and shall be subject to the same disqualifications and shall vacate his office on the same grounds as are applicable to other Directors, in pursuance of these presents and the subject to the provisions of the Act. The Company shall follow such rules as may be prescribed by the Central Government in this behalf.

No small shareholders' director appointed in accordance with the provisions of this Article shall hold office at the same time as small shareholders' director in more than two companies.

Provided that the number of Director's liable to retire by rotation shall not be less than two-thirds of the total number of Directors.

- (vi) The Directors shall not be required to hold any qualification shares in the Company.

#### 97. Additional Directors

Subject to Applicable Law and these Articles, the Board shall have power, at any time and from time to time, to appoint any Person as an Additional Director at the Board, but the total number of Directors including Additional Director shall not, at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for re-election at such Meeting.

#### 98. Alternate Directors

If any Director is reasonably expected to be or is absent for a period of not less than three (3) calendar months from the State in India where the meetings of the Board are ordinarily held, at the request of such Director, the Board shall, at a meeting of the Board or by circulation of a written resolution of the Board in accordance with Applicable Law, appoint, subject to Section 313 of the Act, an Individual as an alternate Director to such Director (the "**Alternate Director**").

At the request of the Shareholder, who has nominated such Director and failing such request from such Shareholder, The Alternate Director shall be an Individual, and the Shareholders shall cause their nominees on the Board to approve the appointment of such Individual as an Alternate Director. An Alternate Director so appointed shall vacate office if and when the absentee Director returns to the state in which meeting of the Board are ordinarily held or the absentee Director vacates office as a Director

#### 99. Removal of Directors

- (i) The office of a Director shall ipso facto be vacated if:
- a. he is found to be unsound mind by a court of competent jurisdiction; or

- b. he has applied to be adjudicated as an insolvent and his application is pending;
  - c. he is adjudged insolvent; or
  - d. he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
  - e. he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call; or
  - f. he absents from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is the longer, without obtaining leave of absence from the Board; or
  - g. he whether by himself or by any person for his benefit or on his account, or any firm of which he is a partner or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of the provisions of the Act; or
  - h. he acts in contravention of any of the provisions of the Act; or
  - i. he has been disqualified by an order of a court of competent jurisdiction under the provisions of the Act; or
  - j. by notice in writing to the Company that he resigns his office; or
  - k. any office or place of profit under the Company or under any subsidiary of the Company is held in contravention of section 314 of the Act and by operation of that section he is deemed to vacate the office.
- (ii) Notwithstanding any matter or thing in Articles 100 (i) (d), (e) and (j) , the disqualification referred to in those sub-clauses shall not take effect:
- (a) for thirty days from the date of adjudication sentence or order; or
  - (b) where an appeal or petition is preferred, within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence, or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or
  - (c) where within the seven days aforesaid any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification until such further appeal or petition is disposed of.
- (iii) Each of the Shareholders having the right under these Articles to appoint a nominee Director shall be entitled to require removal of any or all of its nominee Directors on the Board and to have another or others of its choice nominated for appointment in the place of such removed Directors. For effecting the removal of any of its nominee Directors by a Shareholder, such Shareholder shall, only by written instructions addressed to the Board and other Shareholders, duly signed by an authorised representative of such Shareholder, requisition a General Meeting of the Company, and upon receipt of such notice, the Board shall promptly convene a General Meeting of the Company for the removal of such nominee Director.

#### 100. Casual Vacancies

Any casual vacancies occurring on the Board, including, but without limitation, as a result of death, resignation, removal or incapacity of any Members of the Board, shall be filled by the Board at a meeting in accordance with the Applicable Law,.

Such vacancy may be filled in accordance with the nomination made by the concerned Shareholder. The Individual so appointed to fill such vacancy shall be an Individual nominated by the Shareholder that had nominated the Director whose position is to be filled, and such Individual shall hold office until the date on which the Director in whose vacancy he is appointed would have held office had the vacancy not occurred.

101. Board Meetings

i) Notice

7 (seven) calendar days' written notice of every meeting of the Board shall be given to every Director. Such notice shall be accompanied by the agenda setting out the business proposed to be transacted at such meeting of the Board may be delivered by electronics means. However in case of urgency Board Meeting may be called onshorter notice.

ii) Quorum for Board Meeting

No business shall be transacted at any Board meeting unless a quorum is present at the meeting. In the first instance the quorum for meetings of the Board shall be at least one- third of the Board or 2 whichever is higher, subject to Section 287 of the Act. If within half an hour from the time appointed for a meeting, a quorum as aforesaid is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other later day and at such other time and place as the Chairman may determine. If at such adjourned meeting also, a quorum is not present, the meeting shall stand adjourned for a further half an hour and if the quorum as aforesaid is still not present but the Directors present are at least one third of the Board or two whichever is higher, they shall constitute a quorum.

(iii) Voting

Except as otherwise required by, the Articles of Association or the Act, all resolutions and decisions of the Board shall be by vote of a majority of the Directors present at a duly convened meeting of the Board. Except as otherwise required by the Articles of Association or the Act, any action which can be taken by the Board at a duly convened meeting may also be taken by a resolution by circulation as provided in Article 102 (iv) below. Except the Chairman, no Director shall have a second or a casting vote.

(iv) Board Resolutions by Circulation

Subject to the Applicable Law, a written resolution that has been circulated in draft to all Directors (together with the necessary documents, if any) and signed by a majority of Directors shall be a valid and effectual as if it is a resolution passed at a duly convened Board meeting. For the purposes of this Article "**signed**" shall include signature transmitted through facsimile.

102. Subject always to Applicable Laws and these Articles, such of the Directors, as the Board may decide, may be paid such remuneration as may be decided by the Board for services rendered. Such remuneration may be either a fixed salary or a percentage of net profits or partly in one form and partly in the other and may also provide for perquisites to the Directors like food, medical benefit, club & School fee etc. Further, the non-executive Directors may be paid sitting fees for attending the meeting of the Board or any committee thereof, as may be decided by the Board, for services rendered and as per the applicable laws.

103. In addition to the above remuneration and perquisites payable to them the Directors may be paid all travelling, hotel and other expenses actually incurred by them in connection with their travel from and to their usual residence or from any other place where they might be present at the relevant time to attend the meeting of the Board of Directors or any committee thereof or to attend to some other business of the Company.

104. The continuing Directors may, notwithstanding any vacancy in the Board but so long as their number is not reduced below the number fixed as the necessary quorum for a meeting, increase the number of Directors or for the purpose of summoning a General Meeting of the Company, but for no other purpose.

105. The Board shall exercise the following powers on behalf of the Company only by means of resolutions passed at meetings of the Board:-
- (i) The power to make calls on Shareholders in respect to money unpaid on their Shares.
  - (ii) The power to issue Debentures.
  - (iii) The power to borrow moneys otherwise than on Debentures.
  - (iv) The power to make loans.
  - (v) The power to invest the funds of the company.
  - (vi) The power to authorize the buy back as per the provisions of the Act.
  - (vii) The issue securities, including debentures, whether in or outside India,
106. The Board may, from time to time and subject to the restrictions contained in Section 292 of the Act, delegate to a committee or committees consisting of one or more Directors or to managers, secretaries, officers, assistants and other employees or Persons any of the powers, authorities and discretion for the time being vested in the Directors and may, at any time revoke such powers, authorities and discretions.
107. Subject to provision of these Articles all deeds agreements and documents and all cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted or endorsed by the Persons authorized by the Board in this behalf.
108. Subject to the provisions of Sections 188 of the Act, no Director shall be disqualified, by virtue of his office, for Contracting with the Company, either as vendor or purchaser or otherwise, nor shall any Contract or arrangement entered into by or on behalf of the Company with a Director or any Company or partnership firm in which a Director is a member or otherwise interested be avoided nor shall any Director so Contracting or being such member or so interested be liable to account to the Company for any profit realized from any such Contract or any arrangement by reason only of such Director holding that office or of the fiduciary relationship thereby established, provided that he shall disclose the nature of his interest at the meeting of the Board at which the Contract or arrangement is determined, if his interest then exists or in any other case at the first meeting of Board after the acquisition of his interest.
109. A general notice that the Director is a member of a specified firm or company shall, as regards any such transaction be sufficient disclosure under this article and after such general notice it shall not be necessary for the interested Director to give any special notice relating to any particular transaction with such firm or company.

#### **CHAIRMAN**

110. The Board shall appoint a chairman of its meetings and determine the period for which he is to hold office. If no chairman is appointed, or if at any meeting of the Board the chairman is not present within five minutes after the time appointed, for holding the same, the Directors present shall choose some one of their member to be the chairman of such meeting.

#### **MANAGING DIRECTOR AND WHOLETIME DIRECTORS**

111. Subject to Applicable Law and provisions hereof, the Board of Directors may, appoint one or more Directors as the Managing Director (the "MD") (by whatever name called) for the management of the Company's affairs, for such period and on such terms as they think fit. His/their appointment shall be automatically terminated if he/they cease to be Director/Directors. Their remuneration shall be decided by the Board of Directors from time to time.

The MD shall be responsible for the conduct of the day-to-day management, Business and affairs of the Company. The MD shall undertake the management of the Company and perform all the administrative functions and other duties of the Company necessary for the effective transaction of its business with full powers to do all acts, matters and things deemed necessary, proper and expedient thereof and generally to exercise all the power and authorities of the Company except such of them as by the Act or any statutory modifications thereof for the time being in force or may be expressly directed to be exercised by the Company in a General Meeting or by the Board, provided that on subsequent regulation it shall not invalidate any prior act of the MD which would have been valid if such regulation had not been made.

112. The MD shall be delegated by the Board adequate power and authority to undertake, conduct and carry on the day-to-day management, Business and affairs of Company. The MD shall report to and function subject to the supervision, direction and Control of the Board.
113. The Whole time Directors shall act subject to the direction, supervision and Control of the Board and shall report to the MD. Their powers and duties shall be determined from time to time by resolution of the Board.
114. The term of office of the MD and the Whole time Directors shall be determined by a resolution of the Board but in no event shall the term be longer than five (5) years, subject however, to renewal at the end of each such term.
115. Subject to Section 292 of the Act, and these Articles the Board may entrust to and confer upon the Managing Director any of powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw, alter, or vary all or any of such powers. The Managing Director shall have the following powers exercisable under the superintendence and Control of the Board until otherwise decided by the Company in a General Meeting.
  - (i) To purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorized to acquire and to sell, let exchange or otherwise dispose off or deal with all or any part of the property rights or privileges of the Company at such price and for such consideration and on such terms and conditions as he may deem expedient.
  - (ii) To enter into, carryout, rescind or vary all financial arrangement with banks, Persons, companies, corporations or other bodies for or in connection with the Business of the Company.
  - (iii) Subject to the limitations laid down by Board under Sections 58A and 292 of the Act, to raise or borrow, from time to time and at his discretion, any sums of money or make any arrangements for finance for the purpose of the Company and to secure the payment of, such sum or sums in such manner and upon such terms and conditions in all respects as he may think fit and in particular by making, drawing, accepting or endorsing on behalf of the Company any promissory notes or bills of exchange or by issuing receipts of the Company or by giving any security of the Company or by creating mortgage or charge overall or any part of the property of the Company.
  - (iv) To appoint from time to time and at his discretion, for the purpose of the Company, managers, secretaries, agents, experts and other officers, clerks, servants and other employees of the Company on such terms and conditions as he may deem expedient and to determine their powers and duties and at his discretion to terminate the services of any one or more of them as he may deem expedient.
  - (v) To institute, defend, compromise, withdraw or abandon any legal proceedings by or against the Company or otherwise concerning the affairs of the Company and to act on behalf of the Company in all matters relating to any governmental agency or authority including those relating to taxation, licensing, excise and customs and in matters pertaining to the insolvency or liquidation and to apply for and obtain letters of administration, with or without a will, to the estate of Persons with whom the Company shall have dealings.

- (vi) To make, draw, sign, accept, endorse, negotiate and otherwise execute on behalf of the Company all cheques, promissory notes, drafts, pay orders, bills of exchange, bills of lading and other documents of titles and securities including securities of Government of India and other promissory notes, Contracts transfer deeds and other instruments as shall be necessary in his opinion for carrying on the Business of the Company.
- (vii) Subject to the over all limit fixed by the Board under Section 179 of the Act, to invest and deal with the moneys of the Company not immediately required for the purposes thereof in such securities or investments and in such manner as he thinks fit and from time to time, to vary or realize or otherwise deal, with such securities and investments.
- (viii) To negotiate and enter into any Contract and execute, rescind or vary all such Contracts and do all acts, deeds and things in the name and on behalf of the aforesaid or otherwise for the Business of the Company.

## **BORROWING POWERS**

- 117. Subject to provisions of Sections 73 and 179 or any other applicable provision of the Act, and these Articles, the Board of Directors may from time to time guarantee, raise or borrow any sums of money for and on behalf of the Company from the Members or from other Persons, companies or banks or financial institutions or the Directors may themselves advance money to the Company on such terms and conditions as may be approved by the Board of Directors provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the Paid Up Capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.
- 118. Subject to the provisions of Applicable Law and these Articles, the Board of Directors may from time to time give security for the payment of any money borrowed, in such manner and upon such terms and conditions as they think fit and in particular by the issue of Debentures or bonds of the Company or by mortgage or charge on all or part of the properties of the Company.
- 119. Subject to the provisions of the Act, any Debentures, bonds or other securities may be issued at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) the General Meeting and appointment of Directors. Provided that Debentures with a right of conversion into or allotment of Shares shall be issued only with sanction of the Company in General Meeting.
- 120. Save as provided in Section 56 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.
- 121. If the Board refuses to register the transfer of any Debentures, the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor the notice of such refusal.
- 122. The Board shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 71 and 77 and 79 and 85, both inclusive of the Act in that behalf to be duly complied with, so far as they are required to be complied with by the Board.
- 123. The Company shall, if at any time it issues Debentures, keep the Register and Index of Debenture holders in accordance with Section 88 of the Act.

## **COMMON SEAL**

124. The Board of Directors shall provide a common seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Board of Directors 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 a resolution of the Board of Directors or a Committee of the Board of Directors.
125. Every deed or other instrument to which the seal of the Company is required to be affixed shall be signed by a Director or by the Secretary or by any other Person authorized by the Board of Directors; Provided nevertheless that certificates of Shares shall be signed in accordance with the Companies (Share Capital and Debentures) Rules, 2014 and certificates of Debentures may be signed by one Director, whose signatures on such certificates of Shares or Debentures, when so authorized by the Board of Directors may be affixed and reproduced by mechanical means.

## **DIVIDENDS AND RESERVES**

126. The profits of the Company, subject to any special rights relating thereto created or authorized to be created by these Articles, and subject to the provisions of these Articles shall be divisible among the Members in proportion to the amount of capital paid-up on the Shares held by them respectively.
127. Subject to the provisions of these Articles, the Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board of Directors but the Company in General Meeting may declare a smaller dividend.
128. Any General Meeting declaring a dividend may make a call on the Members of such amount as the meeting fixes. If the call on each Member does not exceed the dividend payable to him and the call is made payable at the same time as the dividend, the dividend may, if so arranged between the Company and the Member, be set off against the call.
129. No dividends shall be paid otherwise than in cash. The declaration of the Board of Directors as to the amount of the profits of the Company shall be conclusive.
130. Subject to the provisions of these Articles, the Board of Directors may, from time to time, pay to Members such interim dividends as appear to be justified by the profits of the Company.
131. (i) Subject to the rights of Persons if any, entitled to Shares with special rights as to dividends, it shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the Dividends are paid.
- (ii) No amount paid or credited as paid on Shares in advance of calls shall be treated for the purposes of this Article as "paid on the Share".
- (iii) All dividends shall be apportioned on the paid-up value of the share 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 dividends is paid but if any share is issued on terms providing that it shall rank for Dividends as from a particular date such share shall rank for dividend accordingly.
132. The Board of Directors may, from time to time, before recommending any dividend, set apart such portion of the profits of the Company as they think fit as a reserve fund, equalization fund or depreciation fund to meet contingencies or for the liquidation of any Debentures, debts or other liabilities of the Company or for repairing, improving and maintaining any of the property of the Company and for such other purposes of the Company as the Board of Directors in their absolute discretion think prudent and may invest the sum so set aside in such manner as they may think fit.

The Board of Directors may also carry forward any profits, which it may think prudent not to divide without setting them aside as a reserve.

133. The Board of Directors may retain any dividend or other moneys payable in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
134. 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 years.
135. If the Company has incurred any loss in any previous Financial Year or years, the amount of the loss or any 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 or the Company in 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 Section 123 of the Act, or against both.
136. Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.
137. A transfer of Shares shall not pass the right to any dividend thereon before the registration of the transfer.
138. Subject to the provisions of the Act, any dividend, interest or other moneys payable in cash in respect of Shares may be paid by cheque or warrant or receipt having the force of a cheque or warrant, sent through the registered post with or without acknowledgement or under a certificate of posting, to the registered address of the Members or Person entitled or in case of joint Shareholders to the registered address of that one of the joint Shareholders who is first named on the register of Members or to such Person and to such address as the Shareholders of the joint Shareholders may in writing direct. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent. The Company shall not be liable or responsible for any cheque warrant, or receipt lost in transmission or for any cheque or warrant or the forged signature of any receipt or the fraudulent recovery of the dividend by any other means.
139. Any one of two or more joint holders of a Share may give effectual receipts for any Dividends or other moneys payable in respect of such Share.
140. No Member shall be entitled to receive payments of any interest or dividend in respect of his Share or Shares, while 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 and the Board may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.
141. Where the Company has declared a dividend which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any Shareholder entitled to the payment of the dividend the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend of "Innovative Tech Pack 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.
142. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund of the Central Government. As per the provisions of the Act, no person is entitled to claim any money transferred to the Fund.
143. No unclaimed or unpaid dividend shall be forfeited by the Board.

## **ACCOUNTS**

144. The Board shall cause proper Books of accounts to be maintained under section 128 of the Act.

145. (i) 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 law or as authorized by the Board of Directors.
- (ii) The Board of Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the account and Books of the Company, or any of them, shall be open to the inspection of Members, not being Directors.
146. The Board shall lay before each Annual General Meeting duly audited profit and loss account for the Financial Year and the Balance Sheet made up to the end of that year.
147. The Directors shall, if they consider it to be necessary and in the interest of the Company, be entitled to amend the Audited Accounts of the Company, of any preceding Financial Year subject to approval of the Company in General Meeting. The amendments to the Accounts affected by the Directors in pursuant of these Articles shall be placed before the Members in the General Meeting for their consideration and approval.

#### **AUDITOR**

148. Statutory auditors shall be appointed and their rights and duties regulated in accordance with the provisions of the Act.
149. Subject to the provision of the Act, the remuneration of the auditors shall be fixed by the Company in a General Meeting or by the Board, if so decided at the General Meeting.

#### **CAPITALISATION OF PROFITS**

150. (i) The Company in General Meeting may, upon the recommendation of the Board, resolve that it is desirable to capitalize whole or any part of the amount for the time being standing to the credit of any of the Company's reserve account or to credit to the profit and loss account, and available for dividend or representing premiums received on the issue of Shares and standing to the credit of the Securities Premium Account be capitalized and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of dividend in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such Members in paying up in full any unissued Shares, Debentures of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued Shares, so that such distribution or payment shall be accepted by such Members in full satisfaction of their interest in the said capitalized sum. Provided that any sum standing to the credit of a Securities Premium Account or a Capital Redemption Reserve Fund may, in accordance with the applicable provisions of the Act for the purposes of this Articles, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:
- (a) Paying up any amount for the time being unpaid on any Shares held by such Members;
- (b) Paying up in full unissued Shares of the Company to be allotted, distributed and credited as fully paid up;
- (c) Partly in the way specified in sub-Article (a) and partly in the way specified in sub-Article (b) above.
- (iii) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
151. General Meeting may resolve that any surplus money arising from the realization of any capital asset of the Company or any investments representing the same, or any other undistributed profits of the Company, be distributed among the Members.

152. The Board shall have power:
- (a) to make provision in case any shareholder is entitled to have any part of share and the same may be disposed of either by payment in cash or otherwise as they think fit, in case shares become distributable in fraction and also:
  - (b) to accept authorization of any Person to enter on behalf of all the Members entitled thereto, into an agreement with the Company providing for allotment to them respectively as fully paid up of any further shares to which they may be entitled upon such capitalisation or as the case may require for the paying up by the Company on their behalf by the application thereto, their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on these existing shares.
  - (c) An agreement as such shall be effective and binding on all such Members.

#### **INDEMNIFICATION**

153. Subject to the provisions of the Act, every Director, secretary, MD, manager or officer of the Company or any Person (whether an officer of the Company or not) employed by the Company as Auditor, ("**Indemnified Person**") shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, manager, officer or Auditor in defending himself against any proceedings, whether civil or criminal in which judgment is given in his favour or on which he is acquitted or in connection with any application under Section 463 of the Act, in which relief is granted to him by the court.

#### **CONFIDENTIALITY**

154. Subject to the provisions of the Act and these Articles any Directors or officers of the Company shall be entitled, if he thinks fit, to decline to answer any question by third parties concerning the business of the Company on the ground that the answer to such question would disclose or tend to disclose the secret of the Company.
155. No Person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or to discover any information respecting any details of the trading of the Company or of any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the business of the Company, which in the opinion of the Board will not be in the interest of the Company to communicate.

#### **NOTICE**

156. Subject to the provisions of the Act, a notice of documents may be given or served by the Company to any Member either personally or by sending it by post to him at his registered address or, if it has no registered address in India, at the address, if any which is supplied by him to the Company for the purpose of giving notice to him. All notices and communications shall be deemed received upon: (a) actual receipt thereof by the addressee; (b) actual delivery thereof to the appropriate address; or (c) in the case of a facsimile transmission, upon transmission thereof by the sender and the issuance by the transmitting machine of a confirmation slip confirming that the number of pages constituting the notice have been transmitted without error.
157. The Company shall comply with the provisions of Sections 20 of the Act.

#### **WINDING UP**

158. (i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind

the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

159. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator with the like sanction, shall think fit, but so that no Member shall be compelled to accept any Share or other securities where on there is any liability.

#### **LAW AND JURISDICTION**

160. (i) The Articles shall be governed by interpreted and construed in accordance with the substantive laws of India, without regard to the conflict of laws provisions thereof.
- (ii) Unless otherwise provided in the Act or any law for the time being in force, only courts in Haryana shall have exclusive jurisdiction on all matters.

SI. No.	Name, Address, description and occupation of the subscriber with their Signatures	No. of Equity Shares taken by each Subscriber	Name, Address, description Occupation of the Signature of witness to subscriber
1	K. SAYAJI RAO S/o K. Satyanarayana Rao 6-3-247, Laxmi Bhavan, Road No. 1, Banjara Hills Hyderabad - 34, Occu : Business : Sd/-	100 (Hundred)	
2	K. CHANDRA SEKHARA RAO S/o K. Satyanarayana Rao 82, Caseblanca Cuffe Parade, Colada, Bombay-5, Occu : Business : Sd/-	100 (Hundred)	
3.	Mrs. K. PRATIBHA W/o K. Sayaji Rao 6-3-247, Laxmi Bhavan, Road No. 1, Banjara Hills, Hydarabad-34 Occu : Housewife Sd/-	100 (Hundred)	
4.	Y.NARA YANA MURTHY S/o.Y. Seshagiri Rao Nallamothu House, Greenlands, Begumpet, Hyderabad, Occ : Business Sd/-	100 (Hundred)	
5.	Dr. M. VENKA TESHWARA RAO S/o. M. Akkaiah 3-6-271, Himayatnagar, Hyderabad, Occ : Doctor Sd/-	10 (Ten)	

**A. RAMA RAO**  
**S/o A. R. Pantulu**  
**1-2-383, Gaganmahal**  
**Hyderabad**  
**Occu : Chartered Accountant**  
**Sd/-**

Date :

Place :

SI. No.	Name, Address, description and occupation of the subscriber with their Signatures	No. of Equity Shares taken by each Subscriber	Name, Address, description Occupation of the Signature of witness to subscriber
6.	Mrs. M. SAROJINI DEVI W/o M. Vankateswara Rao 3-6-271, Himayatnagar, Hyderabad Occu : Housewife Sd/-	10 (Ten)	
7.	K. VENKATESHWARA RAO S/o K. Kotaiah Papiah Street Gandhi Nagar Vijaywada Occu : Business Sd/-	10 (Ten)	
8.	P. RAMA KRISHNA S/o P. Seshagiri Rao 5-4-187/5, Karbala Maidan, M.G. Road, Secunderabad-3 Hydarabad-34, Occu : Employment Sd/-	10 (Ten)	
	Total No. of Equity Shares	<u>440</u>	
	Taken	(Four Hundred and Forty)	

**A. RAMA RAO**  
**S/o A. R. Pantulu**  
**1-2-383, Gaganmahal**  
**Hyderabad**  
**Occu : Chartered Accountant**  
**Sd/-**

Date :

Place :



