

**THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**SIS LIMITED**

**1. PRELIMINARY**

- 1.1 The regulations contained in Table 'F' of Schedule I of the Companies Act, 2013 or any statutory modification thereof shall apply to this Company, subject to the following modifications, additions and alterations hereinafter contained and so far as those are not inconsistent with or repugnant to any of the provisions contained in the aforesaid regulations.
- 1.2 Unless the context otherwise requires, the words and expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

**2. DEFINITIONS & INTERPRETATION**

- 2.1 In these Articles, unless the context clearly indicates a contrary intention, the following words and expressions shall bear the meanings assigned to them below (and cognate words and expressions shall bear corresponding meanings):

"**Act**" means the Companies Act, 2013 of India or any other statutory amendment or re-enactment thereof;

"**AAJV**" means AAJV Investment Trust, a private trust established under the Indian Trusts Act, 1882, having its place of business at 9 Mathura Road, Jangpura B, New Delhi 110014;

"**Theano**" means Theano Private Limited, a private limited company incorporated under the laws of Mauritius and having its registered office at Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius;

"**Investors**" means collectively Theano and AAJV; and each as an "Investor" as the context requires;

"**Special Resolution**" and "**Resolution (requiring) special Notice**" have the meanings assigned thereto respectively by the Act;

"**Company**" means SIS Limited;

"**Seal**" means the common seal of the Company;

"**Director**" or "**Directors**" means the director or directors for the time being of the Company;

**“Board of Directors” or “Board”** means the board of Directors of the Company;

**“Independent Directors”** shall have the meaning ascribed to it in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

**"The Office/Office"** means the Registered Office of the Company, for the time being;

**"The Register/Register"** means the Register of members to be kept pursuant to Section 88 of the Act;

**"The Registrar"** means the Registrar of Companies, Bihar and Jharkhand (Patna);

**"Dividend"** means and includes bonus;

**"Month" or "month"** means an English calendar month;

**"Proxy"** means and includes an attorney duly constituted under a power of attorney;

**"These Presents" or “Regulations” or “Articles”** means and includes these Articles of Association or any modification or alteration thereof for the time being in force;

**“Promoters”** shall mean (1) Mr. Ravindra Kishore Sinha; and (2) Mr. Rituraj Kishore Sinha; and

**“Company Shareholders”** shall mean, collectively, the Promoters, Rita Kishore Sinha, Rivoli Sinha Aggarwal and Vocational Skills Council (India) Private Limited.

### **3. SHARE CAPITAL**

- 3.1 The authorized share capital of the Company shall be in accordance with Clause V of the memorandum of association of the Company, with the power to divide the shares in the capital, for the time being, into several classes, and attach thereto such preferential, cumulative, convertible, preference guaranteed, qualified, special or deferred rights, privileges, conditions, as may be determined under any contractual arrangement and in accordance with these Articles and the provisions of the Act.
- 3.2 The shares shall be under the control of Directors who may issue, allot or otherwise dispose of the same.
- 3.3 Subject to the provisions of these Articles the Board of Directors may (i) issue, allot or otherwise dispose such shares, on such terms and conditions, and at such time, as the Directors think fit and shall, if so authorized by the Company in general meeting give to any person the option or right to call on any shares either at par or at a premium or –subject to compliance with the provisions of Section 53 of the Act– at a discount and for such consideration as the Directors may think fit; and (ii) allot and issue 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. Any shares which may be so allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid-up shares.

- 3.4 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 3.5 If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of that class. (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least 2 (two) persons holding at least one-third of the issued shares of the class in question.
- 3.6 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 3.7 Subject to the provisions of Section 55 of the Act, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

#### **4. CERTIFICATE OF SHARES**

- 4.1 Every person whose name is entered as a member in the Register shall be entitled to receive within 2 (two) months after incorporation, in case of subscribers to the memorandum or after allotment or within 1 (one) month after the application for the registration of transfer or transmission or within such other period as prescribed by applicable laws:
- a. 1 (one) certificate for all his shares without payment of any charges; or
  - b. Several certificates, each for one or more of his shares, upon payment of Rs. 20 (Rupees Twenty) for each certificate after the first.
- 4.2 Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- 4.3 In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 4.4 If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company a new certificate may be issued in lieu thereof, on payment of Rs. 50 (Rupees Fifty) per new certificate so issued and if any certificate is

lost or destroyed then on payment of Rs. 50 (Rupees Fifty) for each certificate and upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of Rs. 20 (Rupees Twenty) for each certificate.

- 4.5 Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.
- 4.6 The provisions of this Article 4 shall *mutatis mutandis* apply to debentures of the Company.
- 4.7 The Company shall issue, when so required, receipts for all securities deposited with it whether for registration, sub-division, exchange or for other purposes and shall not charge any fees for registration of transfers, for sub-division and consolidation of certificates and for sub-division of letters of allotment, renounceable letters of right, and split, consolidation, renewal and transfer receipts into denominations of the market unit of trading.
- 4.8 The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of 30 (thirty) days from the date of such lodgement.
- 4.9 Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities in accordance with the Depositories Act, 1996, as amended from time to time or any statutory modification thereto or re-enactment thereof.
- 4.10 Subject to the applicable provisions of the Act, either the Company or an investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.

## **5. FURTHER ISSUE OF SHARES**

- 5.1 Where at any time, the Company proposes to increase its subscribed capital by the allotment of further shares either out of the unissued capital or out of the increased Share Capital, such shares shall be offered:
  - a. to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

- (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
  - (ii) the offer aforesaid may include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause (i) above shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him;
  - (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;
- b. to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as prescribed in the Act and the rules thereunder; or
  - c. to any persons, if its authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b) either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions prescribed in the Act and the rules thereunder.

5.2 The notice referred to in sub-clause (i) of clause (a) of sub-article 5.1 shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

5.3 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 debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company (whether such option is conferred in these Articles or otherwise);

5.4 Provided that the terms of issue of such debentures or the terms of such loans containing such option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.

## **6. TRANSFER & TRANSMISSION OF SHARES**

6.1 A common form of transfer shall be used. Save as provided in Section 58 of the Act, no transfer of a shares shall be registered unless a proper instrument of transfer, in such form as may be prescribed, duly stamped, dated and executed by or on behalf of the transferor and transferee and specifying the name, address and occupation of the transferee has been delivered to the Company by the transferor or the transferee within a period of sixty days from the date of execution, along with the certificate relating to the securities, or if no such certificate is in existence, along

with the letter of allotment of securities in accordance with the provisions of Section 58 of the Act. The transferor shall be deemed to remain a member in respect of such share(s) until the name of the transferee is entered in the Register in respect thereof. The signature(s) of the transferor and the transferee, in respect of such transfer, shall be duly attested by at least 1 (one) credible witness, who shall add his/her address and occupation.

- 6.2 Provided that where the instrument of transfer has been lost or the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit.
- 6.3 Application for the registration of the transfer of share(s) may be made either by the transferor, or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of the partly paid share(s), be effected, unless the Company gives notice of the application to the transferee, in the manner prescribed in the Act, and subject to the provisions of these Articles. Upon receipt of the proper documentation, the Company shall register the transfer of shares in the name of the transferee(s), and issue certificates or receipts or advices, as applicable, of transfers; or issue any valid objection or intimation to the transferee or transferor, as the case may be, within a period of 15 (fifteen) days from the date of such receipt of request for transfer. Accordingly, unless objection is made by the transferee/transferor, within 15 (fifteen) days from the date of receipt of the notice, the Company shall enter in the Register, the name of the transferee in the same manner and subject to the same conditions, as if the application for registration of the transfer was made by the transferee.
- 6.4 Every instrument of transfer of shares shall be in writing and in the form prescribed under the Act and shall be in accordance with the provision of Section 56 of the Act for all transfers and registrations. There shall be no fee chargeable for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.
- 6.5 The Board of Directors may, subject to the right of appeal conferred by Section 58 of the Companies Act, 2013, decline to register:
- a. The transfer of a share not being fully paid share, to a person of whom the Board does not approve, or
  - b. Any transfer of shares on which the Company has a lien.
- 6.6 The Board may decline to recognise any instrument of transfer unless:
- a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of Section 56 of the Act;
  - b. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - c. the instrument of transfer is in respect of only one class of shares.
- 6.7 Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force

(including Section 22A of the Securities Contracts (Regulation) Act, 1956), the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within 15 (fifteen) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

- 6.8 Provided that registration of transfer of such share(s) 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 there is a lien on the shares. If the Directors decline to register any transfer, they shall give notice of such refusal to the transferee and the transferor, as required by the Act.
- 6.9 Every instrument of transfer shall be left at the Office of the Company for registration, accompanied by the certificate of the share(s), the subject of the instrument of transfer or if no such certificate is in existence, accompanied by the letter of allotment of the share(s) and such other evidence, as the Board may require, to prove the title of the transferor or his right to transfer of the share(s). Every instrument of transfer, which shall be registered, shall be retained by the Company, but any instrument of transfer, which the Board may refuse to register, shall be returned to the person who deposited the same.
- 6.10 On giving not less than 7 (seven) days' prior notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided that such registration shall not be suspended for more than 30 (thirty) days at any time or for more than 45 (forty five) days in the aggregate in any year.
- 6.11 Limitation of time for issue of certificates:
- a. Every shareholder shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within 30 (thirty) days of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate and delivery of a certificate of shares to 1 (one) of several joint holders shall be sufficient delivery to all such holders.
- 6.12 Payment of call in advance:

- a. The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any shareholder of the Company willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, at such rate, not exceeding (unless the Company in a general meeting otherwise directs) 12% (twelve) percent, as the shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- 6.13 No shareholder of the Company shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.
- 6.14 The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the Company.
- 6.15 In case of death of a member, the survivor or survivors, where the deceased was a joint holder, and his legal representatives, where he was sole holder, shall be the only person(s) recognized by the Company as having any title to the deceased's interest in the share(s), but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share, which has been jointly held by such deceased person with other persons. The Board may require any person(s) becoming entitled to the share(s) in consequence of the death of any member to obtain a "Grant of Probate" or "Letter of Administration" or other legal representation, as the case may be, from a competent court in India. It shall be lawful for the Board, in its absolute representation, upon such terms, to call for an indemnity (on such terms, as the Board may think fit) in such cases, without in any case being bound to do so.
- 6.16 Any person becoming entitled to the share(s) as a consequence of the death/ insanity/ bankruptcy/insolvency of a member may, upon producing such evidence, as the Board thinks sufficient and subject as hereinafter provided, elect either to be registered as a member in respect of such share(s) or to transfer such share(s) to some other person.
- 6.17 The Directors may retain the dividend payable upon the share(s) to which any person becomes entitled under Articles 20, until such person or his transferee, becomes a member in respect of the share(s). If the Company has not affected transfer of securities within 15 (fifteen) days or where the Company has failed to communicate to the transferee(s) any valid objection to the transfer, within the stipulated time period of 15 (fifteen) days, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay. Further, in relation to the aforementioned period of delay the Company shall provide all benefits, which have accrued, to the holder of securities in terms of provisions of Section 126 of Companies Act, 2013, and Section 27 of the Securities Contracts (Regulation) Act, 1956.



- 6.18 If the person becoming entitled to the share(s) under Article 20 elects to be registered as a member in respect of the share(s) himself, such person shall deliver or send to the Company, a notice in writing signed by him stating that he has so elected.
- 6.19 If the person aforesaid shall elect to transfer the share(s) to another person, he shall testify his election by executing an instrument of transfer in respect of such share(s).
- 6.20 All the limitations, restrictions and provisions of these Articles, relating to the right of transfer and registration of transfer of the share(s), shall be applicable to any such notice or transfer as aforesaid as if the death/insanity/ bankruptcy/ insolvency of the member had not occurred and the notice of transfer, where the instrument of transfer is signed by the member.
- 6.21 A person becoming entitled to a share by reasons of the death/insanity/ bankruptcy/ insolvency of a member shall, subject to the provisions of Article 20 and of Section 123 of Act, be entitled to the same dividend and other advantage to which he would be entitled, if he were the registered member in respect of the share(s).

Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share(s), and if the notice is not complied with within 90 (ninety) days, the Board may, thereafter, withhold the payment of all dividend, bonuses or other moneys payable in respect of the share(s), until the requirements of the notice have been complied with by the concerned person.

- 6.22 The Company shall incur no liability or responsibility, whatsoever, in consequence of its registering or giving effect to any transfer of share(s) made or purported to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of person(s) having or claiming any equitable right, title or interest in the said shares, notwithstanding the Company may have had notice of such equitable right, title or interest or notice, purporting to prohibit registration of such transfer, and may have entered such notice or referred thereto in any book of the Company. The Company shall not be bound or required to regard or attend or give effect to a notice, which may be given to it by any equitable right, title or interest and further the Company shall not be under any liability, whatsoever, for refusing or neglecting to do, though it may have been entered or referred to in some book of the Company.

## **7. CALL ON SHARES**

- 7.1 The Board may, from time to time, by a resolution passed at a meeting of the Board of Directors, (and not by circular resolution) make such calls as the Board thinks fit, upon the members, in respect of all the monies unpaid on the shares held by each member respectively. Accordingly, each member shall, subject to receiving at least 14 (fourteen) days' prior notice, pay the amount of every call so made in respect of the share(s) held by the respective member in the Company at the date, time and place specified by the Board of Directors in such notice.

Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the general meetings.

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

- 7.2 A call may be revoked or postponed at the discretion of the Board of Directors.
- 7.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 7.4 If a sum called in respect of share(s) is not paid, before or on the date appointed for the payment thereof, the member from whom the sum is due shall pay to the Company interest thereon, from the day appointed for such the payment to the time of actual payment, at the rate of 10% (ten percent) per annum or at such lower rate as the Board of Directors shall deem fit. The Board of Directors shall be at liberty to waive payment of any interest as aforesaid wholly or in part.

## **8. JOINT HOLDERS**

- 8.1 Where 2 (two) or more persons are registered as the holder of any share(s), they shall be deemed to hold such share(s) as joint and several tenants, with benefits of survivorship to the other provisions contained in these Articles, including without limitation, the following:
  - a. The Company shall be entitled to decline to register more than 3 (three) persons as the joint holders of any share or shares.
  - b. The joint holders of any share(s) shall be liable severally and as well as jointly for and in respect of calls and other payment which ought to be made in respect of such share(s).
  - c. Any one of such joint holder may give effectual receipts of any dividend or other moneys in respect of such shares.
  - d. Only 1 (one) person, whose name stands first in the Register as one of the joint holders of any share(s), shall be entitled to the delivery of the certificate relating to such share or to receive notices. Documents served on or sent to such person shall be deemed service on all joint holders.
  - e. The vote of the member whose name first appears in the Register, whether in person or by proxy, shall be accepted to the exclusion of other joint holders.

## **9. ALTERATION OF CAPITAL**

- 9.1 Subject to the terms hereof and the applicable provisions of the Act, the Company may, from time to time, by ordinary resolution in a General Meeting increase the share capital by such sum to be divided into shares of such amount and to be issued upon such terms and conditions and with such rights and privileges attached thereto as maybe specified in the resolution and if no direction is given as to the terms of issue, then as the Board of Directors shall decide, provided, however that the first option for the purchase of new shares shall be given to the existing members of the Company.

9.2 The Company may by ordinary resolution (and subject to the provisions of Section 61 of the Act) in a general meeting:

- a. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- b. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; and
- c. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum.

9.3 Where shares are converted into stock:

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

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

- b. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage; and
- c. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

9.4 The Company may by ordinary resolution, in a general meeting, cancel shares which at the date of passing of the resolution in that behalf have not been taken or agreed to be taken by any person and diminish the amount of share capital by the amount of shares so cancelled.

9.5 The Company may by a Special Resolution reduce in any manner and with subject to any incident authorized and consent required by law:

- a. its share capital;
- b. any capital redemption reserve account; and
- c. any share premium account.

## **10. FORFEITURE & LIEN**

10.1 If any member fails to pay any call or instalment of a call before or on the day appointed for the payment of the same, the Board may at any time thereafter,

during such time as the call or instalment remains unpaid, serve notice on such member requiring him to pay the same together with any interest that may have accrued and all such expenses that may have been incurred by the Company by reason of such non-payment.

- 10.2 The notice shall name a day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) and place(s), on and at which, such call or instalment and such interest as aforesaid are to be paid. The notice shall also state that in the event of non-payment before or on the time and at the place appointed, the shares, in respect of which such call was made, or instalment is payable will be liable to be forfeited.
- 10.3 If the requisition of any such aforesaid notice is not complied with, any share in respect of which such notice has been given may at any time thereafter but before payment of all calls or instalment, interest and expense due, in respect thereof, be forfeited by a resolution of the Board of Directors to that effect.
- 10.4 Such forfeiture shall include all dividend declared but not actually paid before forfeiture, in respect of forfeited shares.
- 10.5 When any share shall have been so forfeited, notice of the aforementioned resolution shall be given to the member, in whose name it stood immediately prior to the forfeiture and the entry of the forfeiture with date thereof shall, forthwith, be made in the Register but no forfeiture shall, in any manner, be invalidated by a non-receipt or neglect to give such notice or to make such entry as aforesaid.
- 10.6 Any share so forfeited, shall be deemed to be the property of the Company and the Board of Directors may sell, or otherwise dispose of the same in such manner as it thinks fit.
- 10.7 A person whose shares have been so forfeited shall cease to be a member, in respect of the forfeited shares, but shall remain liable for payment and shall forthwith pay to the Company all calls or instalments, interest and expenses owing upon the member, in respect of such shares, at the time of forfeiture, together, with interest thereon, until full payment, at 6% (six percent) per annum and the Board of Directors may enforce the payment thereof or any part thereof without any deduction or allowance for the value of the shares at the time of the forfeiture but shall not be under any obligation to do so.
- 10.8 The Company shall have first and paramount lien:
  - a. upon every share (except the fully paid up shares/debentures) registered in the name of each member, (whether solely or jointly with others) and for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - b. upon the proceeds sale thereof for moneys (whether presently payable or not) called or payable at a fixed time in respect of shares (except the fully paid up shares) / debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a

waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

- 10.9 Such lien shall extend to all dividends, from time to time, declared in respect to such shares unless otherwise agreed; the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

## **11. BORROWING POWERS**

- 11.1 Subject to the applicable provisions of the Act and of these Articles, the Board of Directors may from time to time at its discretion, by a resolution passed at a meeting of the Board raise or borrow and secure the payment of any sum or sums of money for the Company. Provided, however where the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses) exceed the aggregate of the paid up capital of the Company and its free reserves not set apart for any specific purpose, the Board shall not borrow without the consent of the Company, by way of a special resolution.
- 11.2 The Board of Directors may secure the repayment of such sum(s), in such manner and upon such terms and conditions, in all respects it thinks fit and in particular by mortgage or other security on the undertaking of the whole or any part of property of the Company (both present and future including its uncalled capital for the time being).
- 11.3 Any bonds, debentures, debenture-stock or other securities may if permissible in law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into equity shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into equity shares shall not be issued except with, the sanction of the Company in general meeting accorded by a Special Resolution.

## **12. ANNUAL GENERAL MEETING**

- 12.1 The first "Annual General Meeting" of the Company shall be held within a period of 9 (nine) months from the date of closing of the first financial year of the Company and in any other case, within a period of 6 (six) months, from the date of closing of the financial year.
- 12.2 In addition to other meeting, a general meeting of the Company shall be held within such intervals as are specified in Section 96(1) of the Act, and subject to the provisions of Section 96(2) of the Act, at such time and place as may be determined by the Board of Directors. Each such general meeting shall be called an "Annual General Meeting", and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an "Extraordinary General Meeting."
- 12.3 Subject to the provisions of these Articles, the Board may, whenever it thinks fit, call a general meeting and it shall, on the requisition of such number of members who

hold, at the date of such requisition, not less than one tenth of the paid up capital of the Company and, on that date, carried the right of voting in regard to the matter to be considered at the meeting forthwith, call an extraordinary general meeting and in the case of such requisition the provisions of Section 100 of the Act, shall apply.

- 12.4 The Directors may, whenever they think fit, call an "Extraordinary General Meeting". Subject to the provisions of the Act, at least 21 (twenty one) days written notice of every general meeting shall be given to all shareholders of the Company at their usual address, provided always that a general meeting may be convened by a notice shorter than 21 (twenty-one) days in accordance with the provisions of the Act. Every notice of the meeting shall specify the place, the day, the time of the meeting and shall contain a statement of the business to be transacted thereat.

### **13. PROCEEDINGS AT GENERAL MEETINGS**

- 13.1 No business shall be transacted at any general meeting unless a quorum of member is present at the time when the meeting proceed to transact the business. Save as otherwise provided herein, the quorum for the general meetings shall be as provided for in Section 103 of the Act.
- 13.2 One of the directors shall be the chairman of the Company and shall be entitled to take the chair at every general meeting, as well as the meeting of the Board of Directors. If at any meeting he shall not be present within 15 (fifteen) minutes after the time appointed for holding such meeting or is otherwise unwilling to act, the member present shall choose another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the member present shall on a show of hands or on a poll, if properly demanded elect one of their member entitled to vote to be the chairman of the meeting.
- 13.3 If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon shall stand dissolved but in any other case the meeting shall stand adjourned to the same day in the next week at the same time and place or such other day and such time and place as the Board may appoint and if at such adjourned meeting quorum be not present then those members who are present and not being less than 5 (five), shall be quorum and may transact the business for which the meeting was called.
- 13.4 Every question submitted to meeting shall be decided in the first instance by show of hands, and in the case of an equality of votes on show of hands and on poll, the chairman of the meeting shall have a casting vote addition to the vote which he may be entitled as member.
- 13.5 At any general meeting resolution put to the vote of the meeting shall be decided on show of hands unless a poll is demanded before or on the declaration of the result of show of hands, by (i) at least such number of members as is provided for in Section 109 of the Act; (ii) by the chairman of the meeting; (iii) by any member holding not less than one tenth of the total voting power in respect of the resolution; (iv) by any members present in person or by proxy, and holding shares in the Company conferring right to vote on that resolution being shares on which an aggregate sum has been paid up which is not less than one tenth of the total sum paid upon all the shares conferring that right. Unless, a poll is so demanded, a declaration by the chairman that a resolution has on a show of hands, been carried on unanimously or by a particular majority or lost and entry to that effect in the

minute book of the Company shall be the conclusive evidence of the fact without proof to the proportion of the vote recorded in favour of or against that resolution.

- 13.6 If a poll is demanded as aforesaid it shall be taken up forthwith a question of adjournment or election of chairman of the meeting and in any other case in such manner and at such time not being later than 48 (forty eight) hours from the time when the demand was made and at such place the chairman of the meeting, Directors and subject to as aforesaid, either at once or at an interval or adjournment or otherwise and the result of the poll shall be demand to be the decision of the meeting on the resolution at which the poll was demanded. The demand of a poll may be withdrawn at any time. The demand of a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded.
- 13.7 The chairman of a general meeting may adjourn the same from time to time and from place to place, but not business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### **14. VOTE OF MEMBERS**

- 14.1 Subject to these Articles and subject to the provisions of Section 47 of the Act, on a show of hands every member present in person shall have 1 (one) vote and on a poll, every member present in person or by proxy shall have 1 (one) vote for every share held by him.
- 14.2 A poll vote may be given either personally or by proxy or in the case of body corporate, by a representative duly authorized in that behalf as prescribed by the Act.
- 14.3 A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 14.4 No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 14.5 The instrument appointing a proxy, shall be in writing under the hand of the appointer or his attorney (duly authorized in writing), or if such appointer is a body corporate, it shall be under its common seal or under the hand of the duly authorized officer of the Company or its attorney (duly authorized). A person may be appointed as a proxy even though he is not the member of the Company.
- 14.6 The instrument appointing a proxy and the power of attorney shall be deposited at the Office, not later than 48 (forty eight) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll. In default of the foregoing the instrument of proxy shall not be treated as valid.
- 14.7 A vote given in accordance with the terms of an instrument appointing a proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the shares in respect of which the vote is given, provided that, no intimation in writing of the death, insanity, revocation or

transfer of the shares shall have been received by the Company at the Office before the vote is given.

Provided nevertheless, that the chairman of the meeting shall be entitled to require such evidence, as the chairman may in his discretion think fit, of the due execution of the instrument of proxy and that the same has not been revoked.

## **15. DIRECTORS**

15.1 Until otherwise determined by the Company in general meetings the number of directors shall not be less than 3 (three) and more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution. The continuing Directors may act notwithstanding any vacancy in their body but if the minimum falls below the number fixed, the board of directors shall not except for the purpose of filling up vacancy in the their number, act as long as the number remains below the minimum.

15.2 The following members shall be the first directors of the Company:

- a. Shri Atmanand Singh;
- b. Shri Suraj Prasad Sinha;
- c. Shri Ravindra Kishore Sinha;
- d. Shri Shivaraj Nandan Sharma;
- e. Shri Jyotindra Mohan Prasad;
- f. Shri Devendra Kishore Sinha; and
- g. Shri Shivaram Singh.

15.3 Where the chairman of the board of directors is a non-executive Director, at least one-third of the Board of Directors shall comprise of Independent Directors and where the Company does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of Independent directors.

Provided that where the regular non-executive chairperson is a promoter of the Company or is related to any promoter or person occupying management positions at the level of Board of Directors or at one level below the Board of Directors, at least half of the board of directors of the Company shall consist of Independent Directors. The expression 'related to any promoter' for the purposes of this Article 15.3 shall be construed in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15.4 In addition to the duties set out in the Act, the Board of Directors shall be bound to comply with the duties and obligations placed upon the Board by Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15.5 Notwithstanding the automatic termination of Chapter II of these Articles on the Listing Date, so long as the Investors hold any equity shares in the Company, they shall retain the right to collectively nominate 1 (one) Director to the Board, subject to the approval of such nominee by the shareholders of the Company.



Provided that this right shall be subject to the approval by the shareholders of the Company subsequent to the consummation of the initial public offering and applicable laws.

The Company Shareholders agree to vote in favour of any resolution for the appointment of a director nominated by the Investors to the Board.

- 15.6 Each Director shall be entitled for remuneration for attending meetings of the Board as may be determined by the Board from time to time, provided that such fees shall not exceed the maximum permissible under the Act. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. The Board of Directors may allow and pay to any Director, who is not a *bona fide* resident of the place where a meeting of the Board is held and who shall come to such place for the purpose of attending a meeting, such sum as the Board of Directors may consider fair compensation for traveling expenses in addition to his remuneration payable from time to time. The Board of Directors may fix the remuneration to be paid to any member or members of the body constituting the committee appointed by the Directors in terms of these Articles, subject to the provisions of these Articles. Subject to the provisions of these Articles, the Board shall have power at any time and from time to time to appoint any person as a Director to the Board. Subject to these Articles any Director so appointed shall hold office of Director until the next annual general meeting and shall, subject to the provisions of Section 161, of the Act be eligible for re-election.
- 15.7 Subject to the provisions of Section 161 of the Act and of these Articles, the Board may appoint any person (not being a person holding any alternate directorship for any other Director) to act as alternate Director for a Director during the latter's absence for a period of not less than 3 (three) months from India and such appointment shall have effect and such appointed whilst he holds office as an alternate Director shall be entitled to notice of meeting of the Board of Director and to attend and vote thereto accordingly but he shall not require and qualification and shall vacate office as and when the absent director returns to India held or the absent Director vacates office as Director.
- 15.8 The office of a Director shall become vacant in case:
- a. he incurs any of the disqualifications specified in Section 164;
  - b. he absents himself from all the meetings of the Board of Directors held during a period of 12 (twelve) months with or without seeking leave of absence of the Board;
  - c. he acts in contravention of the provisions of Section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
  - d. he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184;
  - e. he becomes disqualified by an order of a court or the Tribunal;

- f. he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months, provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;
  - g. he is removed in pursuance of the provisions of the Act; and
  - h. he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.
- 15.9 The control and management of the business of the Company shall be vested in the Board of Directors who in addition to the powers and authorities by these presents or otherwise expressly conferred upon them shall be entitled to exercise all such powers and do all such acts and things as the Company is authorised to exercise and to do and are not hereby or by the Act or by the provisions of the other statute or law expressly directed to required to be exercised or done by the shareholders of the Company in general meeting but subject nevertheless to provisions of any statute or law or of the Act, and of these Articles and to any regulations from time as may be made by the Company in general meeting; provided that no regulation so made shall invalidate any prior act of the Directors.
- 15.10 The Board of Directors subject to the provisions of Section 173 of the Act shall meet together as a board for the dispatch of business from time to time and hold a minimum number of 4 (four) meetings of its Board of Directors every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board. The Directors may adjourn or otherwise regulate the meeting and proceeding as they may think fit.
- 15.11 The chairman of the Board of Directors, the managing director or any Director or secretary of the Company may at any time convene a meeting of the Directors. The Board of Directors may appoint one of their member as the chairman.
- 15.12 Question arising at any meeting shall be decided by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote.
- 15.13 All meetings of the Board of Directors shall be presided over by the chairman, if present, but if at any meeting of director the chairman be not present at the time appointed for holding the same, in that case the Directors shall choose one of their member then present to preside at the meeting. Such chairman may exercise the powers vested to the chairman.
- 15.14 The quorum for a meeting of the Board of Directors shall be one third of the total strength of the Board of Directors or 2 (two) directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes hereof.
- 15.15 A meeting of the Board of Directors in which a quorum is present, shall be competent to exercise all or any of the power, authorities or discretion by or under the regulation of the Company, or the Act, for the time being vested in or exercisable by the Directors generally.

- 15.16 The Director may subject to the provisions of Section 179 of the Act, delegate any of their powers to a committee consisting of such members of their body as they may think fit and they may from time to time, revoke such powers. Any committee so formed shall in exercise of the powers delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors.
- 15.17 The Company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within 30 (thirty) days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered. The books containing the proceedings of general meeting shall be kept at the Office and shall be open during the business hours for such periods not less than in aggregate of 2 (two) hours in each day as the Board of Directors determine, for the inspection of any member without any charges.
- 15.18 Any casual vacancy occurring in the Board of Directors may be filled by the Board of Directors, but the person so chosen shall be subject to retirement at the same time when the person, in whose place is appointed, was to retire.

## 16. MANAGING DIRECTOR

- 16.1 Subject to the provisions of the Act (including Section 196 and 203 of the Act specifically) and the "Rules" attached to the Act, the Board may time to time, appoint 1 (one) or more Directors to be the "**Managing Director**" or "**Whole-time Director**", or Directors of the Company, for a period not exceeding the period prescribed by the Act, for which he is or they to hold such office, and may from time to time (subject to the provision of any contract between him or them and the Company), and appoint another or others in his place or their places.
- 16.2 Subject to the provisions of Section 152 of the Act, a Managing Director or Whole-Time Director shall, while he continues to hold office, be subject to retirement by rotation (save as otherwise provided in any contract between him and the Company) and he shall be subject to the same provisions as the resignation and removal as the other directors, and he shall, *ipso facto* and immediately, cease to be a Managing Director or Whole-Time Director if he ceases to hold the office of director from any cause, save that if he shall retire by rotation under the provisions of Section 152 of the Act or otherwise vacates office as a Director at an annual general meeting and be reappointed as a Director at the same meeting he shall not, by reason only of such retirement or vacation, cease to be Managing Director or Whole-Time Director.
- 16.3 The business of the Company shall be managed and carried on by the Managing Director under the control and supervision of the Board of Directors.
- 16.4 Subject to the supervision and control of the Board of Directors, such Managing Director shall be entrusted with the general conduct, management and superintendence of the business and affairs to the Company and may exercise all such powers and do all such acts and things as may be exercised or done by Company but the Managing Directors shall not exercise such powers or do any such act or thing which by the provision of these Articles, the Act, or any act of the legislator are expressly directed or required to be exercised or done by the Board of

Directors of the Company or by the shareholders of the Company in a general meeting.

- 16.5 Subject to the supervision and control of the Board of Directors and the provisions of the last preceding Articles, such Managing Director shall have power do to all acts, matters and things deemed necessary and proper of expedient for carrying on the business of the Company including the power to made such investment of the funds of the Company as he/she shall think fit and to made and sign all contracts on behalf of the Company and make, sign, endorse, negotiate and discount on behalf of the Company all bills of lading, cheques, drafts, hundies, promissory notes and all bills other negotiable and transferable instruments.
- 16.6 All receipts of money paid into the Company shall be signed by such Managing Director whose receipt shall be an effectual discharge for money therein stated to have been received by the Company.
- 16.7 Subject to the control of the Board of Directors as aforesaid, the Managing Director shall have control of books, papers, securities, documents, properties, assets and effects of the Company and shall have power to employ for the purpose of the Company such employees, clerks, assistants, workmen, solicitors, advocates, brokers and other officers as he/she shall think fit. The Managing Director shall cause minutes to be made in books provided for the purpose of the proceedings of the meeting of the Directors and shareholders of the Company.

#### **17. LOCAL MANAGEMENT**

- 17.1 The Board may, subject to the provisions of the Act, make such arrangement, as it may think fit, for the management of the Company's affairs, abroad or in any specified locality in India, and for this purpose appoint a local board, attorney and agent, and fix their remuneration, and delegate to them such powers as the Board may deem requisite and expedient. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine. The Company shall also exercise the powers provided under Section 88 of the Act, with reference to the keeping of foreign registers.

#### **18. THE SEAL**

- 18.1 The Board shall provide for the safe custody of the seal and the seal shall never be used except by the authority previously given by the Board or a committee of the Board authorized by the Board in that behalf. Any 2 (two) Directors, or 1 (one) Director and the secretary, or 1 (one) Director and such other person as the Board may appoint, shall sign every instrument to which the seal is affixed.
- 18.2 Provided nevertheless, that any instrument, bearing the seal of the Company and issued for valuable consideration shall be binding on the Company, notwithstanding any regularly touching the authority of the Board to issue the same.

## 19. RESERVES

- 19.1 The Board may from time to time before recommending any dividend, set apart and such portion of the profits of the Company as it thinks fit as reserves applicable for any purpose to which the profits of the Company may be properly applied, including to meet contingencies or for the liquidating of any debentures, debts or other liabilities of the Company, for dividends, for preparing, improving or maintaining any of the property of the Company and for such other purpose of the Company as the Board in its absolute discretion thinks conducive to the interests of the Company and may, subject to the provision of Section 186 of the Act, invest the several sums so set aside upon such investment (other than shares of the Company), as the Board may think fit, and from time to time deal with and vary such investment and dispose of all or any part thereof for the benefit of the Company, and may divide the reserves into such special funds as it think fit, with full power to employ the reserve or any parts thereof in the business of the Company, and that without being bound to keep the same separate from the other assets.
- 19.2 All money carried to the reserve shall, nevertheless, remain and be considered a profit of the Company for the applicable period, subject to due provisions being made for actual loss or depreciation, for the payment of dividends and other provisions. Such moneys and all the other provisions may, subject to Sections 186, 187 and 188 of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any bank on deposit or otherwise as the Board may from time to time think proper.
- 19.3 Any general meeting may, upon the recommendation of the Board, resolve that, any moneys, investments or other assets forming part of the (i) undivided profits of the Company standing to the credit of the reserves; or (ii) any capital redemption reserve account; or in the hands of the Company and available for dividend or representing premium received; be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend, and in the same proportion and on the footing that they receive the same as capital. All or any part of such capitalized fund should be applied on behalf of such shareholders, in paying up, in full, any unissued shares, debentures or debenture-stock of the Company, which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum; provided that any sum standing to the credit of share premium account or a capital redemption reserve account may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- 19.4 The Company at a general meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or from any investments representing the same, or any other undistributed profit of the Company, not subject to charge or income tax, be distributed among the members on the footing that they receive the same as capital.
- 19.5 For the purpose of giving effect to any resolution under the two preceding Articles, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, and may vest such cash in trustees upon such trusts for the

persons entitled to the dividend or capitalized fund as may seem expedient to the Board. Where required, a proper contract shall be filed in accordance with Article 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective.

## 20. DIVIDENDS

- 20.1 Subject to the (i) relevant provisions of the Act (including Section 123 in particular); and (ii) rights of members entitled to share(s) with preferential or special rights attached to them, under the terms and conditions for the issue of preference shares that may be agreed to between the Company and relevant counterparties under any agreement that may/ may have been entered into between the Company and a relevant counterparty, concerning their respective equity interests in the Company; the profits of the Company from time to time may be determined to be distributed in respect of any year or other period and such monies shall be applied for payment of dividend on the shares, in proportion to the amount of capital paid upon the shares. Provided that unless the Board otherwise determines, all dividends shall be apportioned and paid proportionate to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, provided always that (subject as aforesaid) any capital paid up on a share, during the period in respect of which a dividend is declared, shall (unless the Board otherwise determine or the terms of the issue otherwise provide, as the case may be) only entitle the holder of such share to an apportioned amount of such dividends as from the date of payment. However, where any capital is paid in advance of calls made by the Company, any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right on the member (who has paid such advance) to dividend or to participate in profits. Dividends shall also be paid on equity securities in a manner that may be agreed to between the Parties under any agreement that may/ may have been entered into between the Parties concerning their respective equity interests in the Company.
- 20.2 The Company in general meetings may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provision of Section 127 of the Act, fix time for payment.
- 20.3 No higher dividend shall be declared than is recommended by the Board, but the Company in general meeting may declare a smaller dividend.
- 20.4 Subject to the provisions of Section 123 of the Act, no dividend shall be payable, except out of the profits of the Company or out of moneys provided by the central or state government for the payment of the dividends in pursuance of any guarantee given by such government and no dividend shall carry interest against the Company.
- 20.5 Subject to the provision of the Act, the declaration of the Board as to the amount of the net profits of the Company shall be conclusive.
- 20.6 The Board may, from time to time, pay to the members such interim dividends as appeal to the Board to be justified by the profits of the Company.

- 20.7 The Board may deduct, from any dividend payable, to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- 20.8 Any general meeting declaring a dividend may make a call on the member of such amount as the meeting affixes. However such call on each member shall not exceed the dividend payable to him, and so that the call is made payable at the same time as the dividend and the dividend may be set off against the call.
- 20.9 No dividend shall be payable except in cash, provided that nothing in the foregoing shall be deemed to prohibit the capitalization of profits or reserves of the Company, for the purpose of issuing fully paid up bonus shares, or paying up any amount for the time being unpaid on the shares held by the members of the Company.
- 20.10 A transfer of share shall not pass the rights to any dividend declared thereon before the registration of the transfer by the Company.
- 20.11 Subject to these Articles, no dividend shall be paid in respect of any share except to the registered holder of such share or to his order or to his bankers but nothing contained in this Articles shall be deemed to require the banker of a registered shareholder to make a separate application to the Company for the payment of the dividend nothing in this Article shall deem to effect in any manner the operation of Article 140.
- 20.12 Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends and other payments in respect of such share.
- 20.13 Unless otherwise directed in accordance with Section 123 of the Act dividend, interest or other moneys payable in cash in respect of a share may be paid by cheque or warrant sent through the post, to the registered address of the holders, in case of joint holders, to the registered address of the one of the joint-holders who is the first named in the Register, or to such person and such address as the holders or joint holders, as the case may be, may direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.
- 20.14 There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.
- 20.15 Unpaid or Unclaimed Dividend:
- a. Where the Company has declared a dividend which has not been paid or the dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration to any shareholder entitled to payment of the Dividend, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the “**Unpaid Dividend Account**”.
  - b. Any money so transferred to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the fund

established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".

## **21. BOOKS & DOCUMENTS**

- 21.1 The Board shall cause proper books of accounts to be kept in accordance with Section 128 of the Act.
- 21.2 The books of accounts shall be kept at the Office or at such other place in India as the Board may decide and when such other place is decided, the Company shall, within 7 (seven) days of the decision, file with the Registrar a notice in writing giving the full address of the other place. Further, the Company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.
- 21.3 The books of accounts and other books and papers shall be opened to inspection during business hours by any Director, Registrar or any officer of the government authorized by the government in this regard.
- 21.4 The books of account and other books and papers maintained by the Company within India shall be open for inspection at Office or at such other place in India by any director during business hours, and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any director subject to such conditions as may be prescribed: Provided that the inspection in respect of any subsidiary of the Company shall be done only by the person authorised in this behalf by a resolution of the Board of Directors
- 21.5 The books of accounts of the Company together with the vouchers relevant for any entry in such books of accounts shall be preserved in good order for a period of not less than 8 (eight) years from the date of incorporation of the Company and after the said period or 8 (eight) years, the books of accounts relating to a period of not less than 8 (eight) years immediately preceding the current year shall be preserved in good order.
- 21.6 The Company shall, and the controlling shareholders shall cause the Company, and the Company shall cause its subsidiaries and affiliates to, keep proper, complete and accurate books of account in rupees in accordance with Indian GAAP.

## **22. BALANCE SHEET ACCOUNTS**

- 22.1 At every annual general meeting the Board shall lay before the Company a financial statement (as defined under Section 2 (40) of the Act) made in accordance with the provisions of Section 129 of the Act and such financial statement shall comply with the requirements of relevant sections of the Act including Sections 129, 130, 131, 134 and of Schedule III to the Act so far as they are applicable to the Company but, save as aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company, that it may deem expedient.
- 22.2 There shall be attached to every financial statement laid before the Company a report by the Board complying with Section 134 of the Act.



- 22.3 A copy of every financial statement (including the balance sheet, profit and loss account, the auditor's report and every document required by law to be annexed or attached to the financial statement, shall, as provided by Section 136 of the Act, not less than 21 (twenty one) days before the meeting, be sent to every such member, debenture-holders, trustee and other person to whom the same is required to be sent by the said Section.
- 22.4 The Company shall comply with Section 145 of the Act as regards signing copies of the auditor's report and other documents required to be annexed or attached there to with the Register.
- 22.5 Every balance sheet and profit and loss account of the Company when audited and adopted the Company in general meeting shall be conclusive except as regards any error discovered therein.

### **23. AUDIT**

- 23.1 At least once in every year the books of accounts of the Company shall be examined by 1 (one) or more auditors as the case may be.
- 23.2 Subject to the relevant provisions of the Act, the members shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the Company at such meeting shall be such as may be prescribed:

*Provided that the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting:*

*Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be prescribed, shall be obtained from the auditor:*

*Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in section 141:*

*Provided also that the Company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.*

- 23.3 Notwithstanding the foregoing and subject to the provisions of Section 139 of the Act, it is hereby clarified that the Company shall not appoint or re-appoint:
- a. an individual as auditor for more than one term of five consecutive years; and
  - b. an audit firm as auditor for more than two terms of five consecutive years.
- 23.4 Where the Company has a branch office the provisions of sub-section (8) of Section 143 of the Act shall apply.

- 23.5 All notice of and other communication relating to any general meeting of the Company, which any member of the Company is entitled to have sent to him/her, shall also be forwarded to the auditors of the Company, and the auditors shall be entitled to attend any general meeting which relates to any part of the business which concerns him/her as auditor.
- 23.6 The auditor's report (including the auditor's separate, special or supplementary report, if any) shall be read before the Company in a general meeting and shall be open to inspection by any member of the Company.

## **24. SERVICE OF NOTICE & DOCUMENTS**

- 24.1 All notes or other documents may be given or sent by the Company in accordance with the provisions of Sections 20 and 101 of the Act.
- 24.2 Every person who by operation of law, transfer or other means whatsoever becomes entitled to any share, shall be bound by every notice in respect of the Registrar which shall have been duly given to the person from whom he derives his title to such share.
- 24.3 Subject to the provisions of these Articles, any notice or document delivered or sent by post or left at the registered address of any member, in pursuance of these Articles shall, notwithstanding the death of such member and whether or not the Company has notice of the death of such member, be deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons though registered in his name as the holder or joint-holders thereof and such services shall for all purposes of these Presents be deemed sufficient service of such notice or document on his heirs, executors or administrators and all persons if any, jointly interested with him in any such share.
- 24.4 Each notice, demand or other communication given or made shall be in writing (in English language) and delivered or sent to the relevant party at its address (or such other address as the addressee has by issuing 5 (five) business days' prior written notice specified to the other Parties). Any notice, demand or other communication given or made by letter between countries shall be delivered by registered airmail or international courier service. Any notice, demand or other communication so addressed to the relevant party shall be deemed to have been delivered (a) if delivered in person or by messenger, when proof of delivery is obtained by the delivering party, (b) if sent by post within the same country, on the 5<sup>th</sup> (fifth) day following posting, and if sent by post to another country, on the 10<sup>th</sup> (tenth) day following posting, and (c) if given or made by fax, upon dispatch and the receipt of a transmission report confirming dispatch.

## **25. REGISTERS & INSPECTIONS**

- 25.1 As per the provisions of Section 88 of the Act, the Company shall duly keep and maintain at the Office: (i) the Register (indicating separately for each class of equity and preference shares held by each member residing in or outside India); (ii) register of debenture-holders; and (iii) register of any other security holders; with the details of shares/debentures/other securities held in physical and dematerialized form or in any medium as may be permitted by law.

- 25.2 The register and index of beneficial owners maintained by a depository under Section 11 of the Depository Act, 1996 shall also be deemed to be the register and index of members/debenture holders/other security holders for the purpose of the Act.
- 25.3 The Company shall be entitled to keep in any country outside India, a part of the Register called foreign register containing the names and particulars of the members, debenture holders, any other security holders or beneficial owners residing outside India.
- 25.4 The Company shall comply with the requirements of the Act as to the supply of copies of register, deeds, documents, instruments, returns, certificates and books.
- 25.5 Where under any provisions of the Act, any person (whether a member of the Company or not) is entitled to inspect any register, return, certificate, deeds instrument or documents required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same during the hours of 10 a.m. and 12 p.m. on such business days as the Act requires them to be open for inspection.
- 25.6 The Company may close the Register or the register of debenture holders or the register of other security holders for any period or periods not exceeding in the aggregate 45 (forty-five) days in each year, but not exceeding 30 (thirty) days at any one time, subject to giving of previous notice of at least 7 (seven) days or such lesser period as may be specified by Securities and Exchange Board of India, in such manner as may be prescribed.

## **26. SECRECY**

- 26.1 Every Director, secretary, trustee for the Company, its members, debenture-holders, committee member, officer, servant, agent, accountant or other person employed in or about the business of the Company, shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe strict secrecy with respect to (i) all transactions of the Company with its customers; and (ii) the state of accounts with individuals and in matters relating thereto; and shall also by such declaration, pledge himself not to reveal any of the matters, which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any general meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions of these Articles.
- 26.2 No member or other person (not being Director) shall be entitled to enter upon the property of the Company, or to inspect or examine the premises or properties of the Company, without the permission of the Board, or to require discovery of or any information in respect of any detail of the trading of the Company, or 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 conduct of the business of the Company, and which in the opinion of the Board, will neither be appropriate nor expedient nor in the interest of the Company or its business, to be communicated/ disclosed/ imparted to any other Person.

## **27. WINDING UP**

- 27.1 Subject to the provisions of Chapter XX of the Act and the rules made thereunder:
- a. 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.
  - b. 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.
  - c. 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 if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## **28. INDEMNITY**

- 28.1 Every Director, Secretary or officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed as Auditors shall be indemnified out the assets of the Company, against all liability incurred by him as such Director, Secretary, Officer, Employee or Auditor in defending any proceedings whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with and application under Section 463 of the Act in which relief granted to him by the Court.

## **28A. SHAREHOLDERS' AGREEMENTS**

- (i) The Company Shareholders agree, acknowledge, and confirm that they will comply with all the obligations of current agreements that they are party to in their capacity as promoters / promoter group of the Company.