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**MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
SAVEN TECHNOLOGIES LIMITED**

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Company No: 01-15737



FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME

In the Office the Registrar of Companies,  
Andhra Pradesh, Hyderabad.

(Under the Companies Act, 1956 (1 of 1956))

IN THE MATTER OF PENNNAR INFOTECH LIMITED

I hereby certify that M/S. PENNNAR INFOTECH LIMITED


was originally incorporated on 10th day of May, 1993  
under the companies Act, 1956, under the name M/s: PENNNAR INFOTECH LIMITED

The said M/s. PENNNAR INFOTECH LIMITED  
having duly passed necessary resolution un-  
der section 21/22(1)(e)/22(1) (b) of the companies Act, 1956 and also having obtained the  
approval of the Central Government in writing vide letter No. RAP/TA.VI/15737/Sec.21/2000  
dated 03-02-2000 of Registrar of Companies, Andhra Pradesh, Department of  
Company affairs has changed its name to M/s. - SAVEN TECHNOLOGIES LIMITED

This certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at Hyderabad, this 4th day of February  
TWO THOUSAND



  
(M. SUBBARAYALU)  
DEPUTY REGIISTRAR OF COMPANIES  
ANDHRA PRADESH: HYDERABAD

Company No. 01-15737



**Certificate of Commencement of Bussiness.**


Pursuant of section 149(3) of the Companies Act, 1956.

I hereby certify that the PENMAR INFO TECH LIMITED

which was incorporated under the Companies Act, 1956, on the 10th  
day of MAY, 1993 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 21st day of NOVEMBER,  
one thousand nine hundred and NINETY FOUR.



  
(N.R. SRIDHARAN)  
REGISTRAR OF COMPANIES  
ANDHRA PRADESH, HYDERABAD



प्रारूप आई. आर.  
Form I.R.

निगमन का प्रमाण-पत्र

# CERTIFICATE OF INCORPORATION

ता. .... का सं. ....  
01-15737 93-94  
No. .... of 19. ....

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

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

I hereby certify that **PENNAR INFO-TECH 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।

**HYDERABAD** 10th

Given under my hand at ..... this .....

day of **May** ..... One thousand nine hundred and **Ninety three**.

(20th Vaisakaha 1915 saka)



*N.R. Sridharan*  
(N.R. SRIDHARAN)

कम्पनियों का रजिस्टर  
Registrar of Companies  
Andhra Pradesh.

**Under the Companies Act, 1956**

**(1 of 1956)**

**(Company Limited by Shares)**

**MEMORANDUM OF ASSOCIATION**

**OF**

**SAVEN TECHNOLOGIES LIMITED**

- I. The name of the Company is SAVEN TECHNOLOGIES LIMITED.
- II. The Registered Office of the Company will be situated in the state of Andhra Pradesh.
- III. THE OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED ARE:

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

1. To render consultancy and services in the fields of Information Technology, Computer Sciences, Data Processing, Computer Systems and Software, Operations Research and Management Sciences, in India and Abroad, and to act as dealers, distributors, authorised representatives for such services in India and Abroad.
2. To carry on the business of design, development, manufacture and trade of all types of Computer Software, which include CAD/CAM, Data Communications, Office Automation, Artificial Intelligence, Simulation, Modelling, Bio Medical Computing, Image Processing, Software Engineering, Operating Systems, Computer Graphics including multimedia, Business Information processing, Computer Science Education, Computers in Education and all other fields related to computers.

3. To carry on the business of research, design, development, manufacture and trade of Computer Hardware and peripheral equipment like printers, tape drives, disk drives, floppy disk drives, CRT's, Modems, all kinds of Communication equipment, and any other electrical and electronic items.
4. To manufacture, buy, sell, export, import, deal in, assemble, fit, repair, maintain, convert, overhaul, alter, and improve all types of Computers and electronic and test equipment, all sorts of Computer Peripherals, Devices, Data Communication Equipment, Broadcast, Telecast, Relay and Reception Equipment, and other equipment used in Audio and Visual communications, Satellite communications, Satellite Earth Stations etc.
5. To carry on the business of Education and Training, and to conduct Seminars, Workshops, Short Term and Long Term Courses in Computer Sciences, Information Technology, Engineering Sciences, Management Sciences and Social Sciences and to promote educational institutions to impart such training in India and abroad.

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

1. To enter into agreement and contracts with individuals, firms, Companies or other organisations for technical, financial or any other assistance for carrying out all or any of the objects of the Company.
2. To establish and maintain offices and agencies in India and abroad of business of the Company.
3. To advertise, promote, publicize, issue circulars, books, pamphlets, conduct exhibitions for the promotion of the business of the Company.
4. To apply for purchase or otherwise acquire and protect, prolong and renew trademarks, names, designs, secret processes, patent rights, "brevets d'invention", licences, protections and concessions which may appear likely to be advantageous or useful to the Company in connection with its business and to spend money in experimenting and testing and improving or seeking to improve any patents, inventions, or rights so acquired by the Company.

5. To enter into any arrangement for sharing profits, union of interests, co-operations, joint ventures, reciprocal concession or otherwise with any person, firm or Company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or any business or undertaking or transaction which may seem capable of being carried on or conducted as to directly or indirectly benefit the Company.
6. To enter into any arrangement with Government or State authority, Municipal, Local or otherwise, that may seem conducive to the Company's objects or any of them and to obtain from any such Government or State Authority, any rights, privileges and concessions which may seem conducive to the Company's objects or any of them.
7. To purchase or otherwise acquire and undertake the whole or any part of the business, property rights and liabilities of any person, firm or company, carrying on any business, which this Company is authorised to carry on or possessed of, property or rights, suitable for any of the purposes of the company, and to purchase, acquire, apply for, hold, sell and deal in shares, stock, debenture or debenture stock of any such person, firm or Company.
8. To construct, acquire, establish, provide, maintain and administer, offices, factories, buildings and accommodation of all descriptions in connection with the business of the Company.
9. To apply for tender purchase or otherwise acquire any contracts and concessions for or in relation to the constructions, erection, carrying out equipment improvement, management, administration or control of works and conveniences and to undertake, execute, carryout, dispose of or otherwise turn to account the same in connection with the business of the Company.
10. To buy, lease or otherwise acquire lands, buildings and other immovable property and to sell, lease, mortgage or hypothecate or otherwise dispose of all or any of the property and assets of the Company on such terms and conditions as the Company may think fit for and in relation to its business.
11. To amalgamate with any Company or Companies having objects altogether or in part similar to those of this Company.
12. To pay all the costs, charges and expenses of and incidental to the promotion and formation, registration, and establishment of the Company including costs, charges and expenses of negotiations and contracts and arrangements made prior to and in anticipation of the formation and incorporation of the Company.
13. To remunerate or make donations (by cash or other assets, or by the allotment of fully or partly paid shares, or by a call or option on shares, debentures, debenture stock or security of this Company, or in any other manner) whether out of the Company's

capital, profits or otherwise, to any person or firm or Company for services rendered or to be rendered in introducing any property or business to the Company or for any other reasons which the Company may think proper in connection with its business.

14. To undertake and execute any trusts, the undertaking whereof may seem desirable either gratuitously or otherwise.
15. To draw, make, issue, accept and to endorse, discount and negotiate promissory notes, hundies, bills of exchange, bills of lading, delivery orders, warrants, warehouse keeper's certificates and other negotiable or commercial mercantile instruments connected with the business of the Company.
16. To open account or accounts with any individual, firm or company or with any bank or banks and to pay into and to withdraw moneys from such account or accounts.
17. Subject to the provisions of the Companies Act, 1956 to invest, apply for, acquire or otherwise employ the moneys belonging to the Company upon securities and shares, with or without security upon such terms as may be thought proper, and from time to time to vary such transactions in such manner as the Company may think fit.
18. To lend or deposit monies belonging to the Company to such person or Company and in particular to customers and others having dealings with the company with or without security, upon such terms as may be thought proper in connection with the business of the Company but not to do the business of banking as defined in the Banking Regulation Act, 1949.
19. To make advances upon or for the purchase of materials, goods, machinery, stores and other articles required for the purpose of business of the Company.
20. Subject to the provisions of the Companies Act, 1956, to borrow or raise money with or without security or to receive money on deposit at interest, or otherwise, in such manner as the Company may think fit and in particular by the issue of debentures or debenture stock, perpetual or otherwise, including debentures or debenture stock convertible into shares of this Company and in security of any such money so borrowed, raised or received, to mortgage, pledge or charge the whole or any part of the property, assets of revenue of the Company, present or future, including its uncalled capital and to purchase, redeem or pay off any such securities.
21. Subject to the provisions of the Companies Act, 1956, to sell, mortgage, assign or lease and in any other manner, deal with or dispose of the undertakings or property of the Company or any part thereof, whether movable or immovable for such consideration as the Company may think fit, and in particular for shares, debentures and other securities of any other Company having objects altogether or in part similar to those of this Company.



22. To improve, manage, work, develop, alter, exchange, lease, mortgage turn to account, abandon or otherwise deal with all or any part of the property, rights and concessions of the Company.
23. To employ workers or employees and to provide for welfare of the employees or ex-employees of the Company and their wives, widows, families, or the dependents, or connections of such person by building or contributing to the building of houses, dwellings or by grants of money, pensions, gratuity, bonus, payment towards insurance or other payment, or by creating from time to time, subscribing or contributing towards places of instruction or recreation, hospital dispensaries, medical and other attendance and other assistance as the company shall think fit.
24. Subject to provisions of the Companies Act, 1956, to subscribe or contribute or otherwise to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects or for any exhibition or for any public, general or useful objects.
25. To distribute any of the property of the Company amongst the members in specie or kind upon the winding up of the company, subject to the provisions of Section 511 of the Companies Act, 1956.
26. To acquire and run any industrial concern, factory or mills as the company may deem fit to attain the main objects.
27. To do all such other things as are incidental to or conducive to the attainment of the above main objects or any of them.

**(C) THE OTHER OBJECTS OF THE COMPANY ARE:**

1. To carry on and undertake the business of finance, investment and trading, hire purchase, leasing and to finance lease operations of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the Company may think fit and to assist in financing of all and every kind and description of hire purchase or deferred payment or similar transaction and to subsidise, finance or assist in subsidizing or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all forms of immovable and movable property including land and buildings, plant and machinery, equipment, ships, aircraft, automobiles, computers and all consumer, commercial and industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof, regardless of whether the property purchased and lease be new and/or used.
2. To carry on business of electrical engineers, electricians, engineers, contractors, manufacturers, suppliers of and dealers in electrical and other appliances, cables, wirelines, drycells, accumulators, lamps and works and to generate, accumulate,

distribute and supply electricity for the purpose of light, heat, motive power and for all other purposes for which electrical energy can be employed and to manufacture, and deal in all apparatuses and things required for or capable of being in connection with the generation, distribution, supply, accumulation and employment of electricity.

3. To carry on all or any of the business manufacturers, installers, maintainers, assemblers, designers, repairers, importers, exporters, buyers, sellers, principals, agents, traders of and dealers in and with telecommunication, switching, transmission appliances and apparatuses of every description and of every kind and in wireless, radio, radiograms, transistors, and television sets, other sound producing machines, transmission and telephone, mechanical appliances and apparatus, equipment, machines, accessories, requisiter, materials and articles of all kinds for recording, producing, processing and transmitting, receiving and emitting sounds and visuals, sound waves, light waves, vision pictures, printed matters, messages, data and signals, whether for commercial, experimental and other purpose, opticals, photo electric, photo chemical, dialysis machine and photographic equipment and material including cameras and projectors, diascope, video recording and reproducing apparatus and equipment, telephone, telecommunication products, apparatus, requisiters and suppliers of all kinds including tape and wire recorders, calculators, computers, stereo and hifi systems and equipments, record players, record changers, disaassettes, microphones, loudspeakers, systems, earphones, headphones and cassettes cartridges thereof, install and maintain cable T.V. networks, T.V. recording studios and offer consultancy in above fields and to carry on the business as radio, television, mechanical and electrical engineers.
4. To carry on the business of imparting training to individuals and personnel of firm, company or government bodies for using and maintaining the equipment being traded, leased or hired out by the Company.
5. To acquire and undertake the whole or any part of the business, property or liabilities of any person, firm or body corporate, carrying on or proposing to carry on any business relating to electronics, information management, electricals and telecommunication which the Company is authorised to carry on or having property suitable for the purposes of the Company or which can be carried on in conjunction therewith or which is capable of being conducted so as to directly or indirectly benefit the Company.
6. To sell, import, export, manufacture, assemble, deal and trade to all types of electrical and electronic goods of any description and their components and to offer installation and after sales services for the same.
7. To render consultancy services to any organisation for forecasting cashflows, sharemarket movements, profits, election results and analysis of past and future trends in any field.

8. To render services as data storage houses and to carry out all types of data management business.
9. To carry on business of printers, publishers and owners of Daily Newspapers, Journals, Weeklies, Fortnightlies, Magazines, Books and other literary works and all other publications and undertakings in any language.
10. To enter into all areas of mass communication business including producing dramas, plays and to produce, acquire, sell, import, export, distribute or otherwise deal in all kinds of motion pictures, documentaries, audio visual films, tapes, etc., for educational, commercial, publicity or other purpose and to establish or acquire studios, technical laboratories, theatres and to do all such other things as are incidental or allied.
11. To carry on the business of development, manufacture, trade, buy, sell, import and export of and in all types of computers, mini computers, micro computers, micro processor based systems, all types of software and hardware and their components including computer key switches, key boards, visual display units, printers, calculators, software packages, all types of computer components, subassemblies, peripherals, microchips, diodes, resistors, printed and other circuit boards and other electronic items of any description.

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

- V. (a) The Authorised Share Capital of the Company is Rs.16,00,00,000 (Rupees Sixteen Crores only) divided into 16,00,00,000 (Sixteen Crores) Equity Shares of Rs.1/- (Rupee One only) each.
- (b) The Company has power from time to time to increase its capital as equity or preference shares and to attach to any class or classes of such shares, preferences, rights, privileges or priorities in payment of dividends, or distribution of assets, or otherwise over any other and subject the same to any restrictions, limitations, or conditions and to vary the regulations of the Company, and to apportion the right to participate in profits in any manner subject to the prior consent of the Government of India or the order of the Court or Hon'ble National Company Law Tribunal if the same will be necessary, being obtained before doing so.
- (c) The share capital of the Company (whether original, increased or reduced) may be subdivided, consolidated or divided into such class of shares as may be allowed under the law for the time being relating to Companies with such privileges or rights as may be attached and to be held upon such terms and as may be prescribed by the Articles of Association of the Company.

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

Sl.No.	Names, Address, Description and Occupations of Subscribers	Signature of Subscriber	Number of equity shares taken by each Subscriber	Signature, Name, Address, Description and Occupation of Witness
1.	Nrupender Rao S/o Late J V Narsing Rao 13 Uma Nagar, Begumpet, Hyderabad. Occupation: Industrialist	-Sd-	10 (ten)	<p style="text-align: center;">-Sd- J. Balasubramanian Occupation: Chartered Accountant S/o. S. Jayaraman 401 Gayathri Apartments, Sangeet Nagar, Somajiguda, Hyderabad 500482</p>
2.	Vijay N. Rao S/o. Late R.V.R. Sitaramaswamy 2-2-3/B/8, Deshmukh Colony, Hyderabad Occupation: Consultant	-Sd-	10 (ten)	
3.	Vijay C. Puljal S/o. P.V.Hanumanth Rao 310-A, Road No.25, Jubilee Hills, Hyderabad. Occupation: Business	-Sd-	10 (ten)	
4.	Arathi Rao D/o. Nrupender Rao 13, Uma Nagar Colony, Begumpet, Hyderabad. Occupation: Student	-Sd-	10 (ten)	
5.	Rao Sowmya D/o. Vijay N Rao 2-2-3/B/8, D.D.Colony, Hyderabad. Occupation: Student	-Sd-	10 (ten)	
6.	R.V. Ramakrishna Rao S/o. Late Sri R.V. Jagannatha Rao MIG 12, APIIC Colony, Kushai Guda, Hyderabad. Occupation: Industrialist	-Sd-	10 (ten)	
7.	Wg. Cmdr. A.B. Bhushan(Retd) S/o. Sri A. Rama Lingam 38, Krishna Puri Colony, West Maredpalli, Secunderabad. Occupation: Industrialist	-Sd-	10 (ten)	
	Total		70 (Seventy)	

Place : Hyderabad

Date : 19.04.1993

**Under the Companies Act, 2013  
(1 of 2013)  
(Company Limited by Shares)**

**ARTICLES OF ASSOCIATION**

**OF**

**SAVEN TECHNOLOGIES LIMITED**

The regulations contained in Table F of the First Schedule to the Companies Act 2013, so far as they are applicable to a public company shall apply except that of Regulation 27, Regulation 48, Regulation 76, Regulation 79, Regulation 89 to the company, save in so far as they are expressly or impliedly are modified by the following articles.

**Interpretation**

**Part I.** (1) In these regulations—

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

- (a) “The Company” or “this Company” means SAVEN TECHNOLOGIES LIMITED.
- (b) “Act” or “Companies Act” shall mean the Companies Act, 1956 or the Companies Act, 2013 to the extent applicable as amended from time to time and every modification or re-enactment thereof and references to Sections of the Act shall be deemed to mean and include reference to a section enacted in modification or replacement thereof.
- (c) “Beneficial Owner” shall mean beneficial owner as defined in Clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.
- (d) “Depositories Act, 1996” shall include any statutory modification or re-enactment thereof.
- (e) “In writing” and “Written” include printing, lithography, typing and other modes of representing or reproducing words in a visible form.
- (f) “Office” means the Registered Office for the time being of the Company.
- (g) “Persons” include Corporations as well as individuals.
- (h) “Registrar” means the Registrar of Companies, Telangana.
- (i) “Seal” means the Common Seal for the time being of the Company.

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

Save as aforesaid, any words or expressions defined in the Companies Act, 2013, shall if not inconsistent with the subject or context, bear the same meaning in these Articles.

- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

## **Part II. Share Capital And Variation Of Rights**

1. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognize any claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. No notice of any trust, express, implied or constructive shall be entered in the Register of Members or of Debenture holders.
2. The Company shall be entitled to dematerialize its existing shares, debentures and other securities, rematerialize its shares, debentures and other securities held in the Depositories and / or to issue its fresh shares, debentures and other securities, in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed there under, if any.
3. In the case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in and electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

### **Board of Directors**

4. The directors of the company may appoint an alternate director to act for a director, (hereinafter called the original director) during his absence, for a period of not less than three months, from India. An alternate director shall vacate office, if any, when the Original director returns to India. If the term of office of the original director is determined before he returns to India, any provision in the act or in there articles for the automatic reappointment of retiring director in default or of another appointment shall apply to the original director and not to the alternate director. Provided that no person shall be appointed as an Alternate Director for an Independent Director unless, he is qualified to be appointed as Independent Director under the provisions of this Act.

### **The Seal**

5. (i) The Board shall provide for the safe custody of the seal.  
  
(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of any one Director and such other person as the Board may appoint for the purpose; and that director and other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

### **Accounts**

6. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.  
  
(ii) 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.

### **Inspection and Copies**

7. Copies of the Memorandum and Articles of Association of Company and other documents referred to in Section 17 of the Companies Act, 2013 shall be sent by the Company to every Member at his request within seven days on payment of Rs. 50/- (Rupees Fifty Only) per copy.
8. Subject to the provisions of the Companies Act, 2013 and rules made there under, the Company shall charge a fee of Rs. 50/- for inspection of register of charges , by persons other than member or creditor .
9. Subject to the provisions of the Companies Act, 2013 and rules made there under, the Company shall charge a fee of Rs. 50/- for inspection registers and returns mentioned in Section 88 and 92 of the Companies Act, by persons other than member, debenture holder, other security holder or beneficial owner and also charge a fee of Rs. 10/- per page for giving copies of the registers or returns by member, debenture holder, other security holder or beneficial owner or to any other person.
10. Subject to the provisions of the Companies Act, 2013 and rules made there under, any member shall be entitled to be furnished, within seven working days after he has made a request in that behalf to the company, with a copy of any minutes of any general meeting, on payment of Rs. 10/- per page.
11. Subject to the provisions of the Companies Act, 2013 and rules made there under, the company shall provide extracts from such register maintained under Section 189 read

with rules made there under to a member of the company on his request, within seven days from the date on which such request is made upon the payment of Rs. 10/- per page.

12. Subject to the provisions of the Companies Act, 2013 and rules made there under, the extracts from the register maintained under sub-section (9) of section 186 may be furnished to any member of the company on payment of Rs. 10/- per page.
13. Subject to the provisions of the Companies Act, 2013 and rules made there under, the company shall provide the copies under these Article 7 to 12 either in physical form or electronic mode.

Names, addresses, descriptions and occupations of subscribers	Witnesses(along with names, addresses, descriptions and occupations)
Nrupender Rao S/o Late J V Narsing Rao 13 Uma Nagar, Begumpet, Hyderabad. Occupation: Industrialist	-Sd- J. Balasubramanian Occupation: Chartered Accountant S/o. S. Jayaraman 401 Gayathri Apartments, Sangeet Nagar, Somajiguda, Hyderabad 500482
Vijay N. Rao S/o. Late R.V.R. Sitaramaswamy 2-2-3/B/8, Deshmukh Colony, Hyderabad Occupation: Consultant	
Vijay C. Puljal S/o. P.V.Hanumanth Rao 310-A, Road No.25, Jubilee Hills, Hyderabad. Occupation: Business	
Arathi Rao D/o. Nrupender Rao 13, Uma Nagar Colony, Begumpet, Hyderabad. Occupation: Student	
Rao Sowmya D/o. Vijay N Rao 2-2-3/B/8, D.D.Colony, Hyderabad. Occupation: Student	
R.V. Ramakrishna Rao S/o. Late Sri R.V. Jagannatha Rao MIG 12, APIIC Colony, Kushai Guda, Hyderabad. Occupation: Industrialist	
Wg. Cmdr. A.B. Bhushan(Retd)	



S/o. Sri A. Rama Lingam 38, Krishna Puri Colony, West Maredpalli, Secunderabad. Occupation: Industrialist	
Dated the 19th day of April, 1993 Place: Hyderabad	

**TABLE -F**  
**ARTICLES OF ASSOCIATION OF A COMPANY LIMITED BY SHARES**

**Interpretation**

I. (1) In these regulations—

- (a) “the Act” means the Companies Act, 2013,
- (b) “the seal” means the common seal of the company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

**Share capital and variation of rights**

II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—  
(a) 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 twenty rupees for each certificate after the first.

(ii) Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary:

Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign the certificate.

Explanation.- For the purposes of this item, it is hereby clarified that in case of an One Person Company, it shall be sufficient if the certificate is signed by a director and the company secretary, wherever the company has appointed a company secretary, or any other person authorised by the Board for the purpose.;

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate

for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) 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, 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 deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.  
(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
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.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.  
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.  
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) 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, 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 two persons holding at least one-third of the issued shares of the class in question.
7. 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.

8. 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 to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### **Lien**

9. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### **Calls on shares**

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

Provided that no call shall exceed one-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.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

**Transfer of shares**

- 19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 20. The Board may, subject to the right of appeal conferred by section 58 decline to register—
  - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) any transfer of shares on which the company has a lien.
- 21. 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 subsection (1) of section 56;
  - (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.
- 22. On giving not less than seven days' previous notice in accordance with section 91 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 thirty days at any one time or for more than forty-five days in the aggregate in any year.

**Transmission of shares**

- 23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole

holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

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

27. In case of a One Person Company—

(i) on the death of the sole member, the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member;

(ii) the nominee on becoming entitled to such shares in case of the member's death shall be informed of such event by the Board of the company;

(iii) such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable;

(iv) on becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

#### **Forfeiture of shares**

28. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made;

and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the



company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. Alteration of capital

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(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;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. 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.

(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.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

#### **Capitalisation of profits**

39. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in

clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and  
(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions;

and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of

profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

### **Buy-back of shares**

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities. General meetings.
42. All general meetings other than annual general meeting shall be called extraordinary general meeting.
43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.  
(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

### **Proceedings at general meetings**

44. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.  
  
(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
48. In case of a One Person Company—  
  
(i) the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118;

- (ii) such minutes book shall be signed and dated by the member;
- (iii) the resolution shall become effective from the date of signing such minutes by the sole member.

### **Adjournment of meeting**

- 49. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### **Voting rights**

- 50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
  - (a) on a show of hands, every member present in person shall have one vote; and
  - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 52. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- 54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

55. 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.
56. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **Proxy**

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time 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; and in default the instrument of proxy shall not be treated as valid.
58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

### **Board of Directors**

60. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.
62. The Board may pay all expenses incurred in getting up and registering the company.
63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that

section) make and vary such regulations as it may think fit respecting the keeping of any such register.

64. All cheques, promissory notes, drafts, hundis, 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.
65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
66. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.  
  
(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **Proceedings of the Board**

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.  
  
(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
68. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.  
  
(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
69. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.  
  
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
72. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
73. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
76. In case of a One Person Company—
- (i) where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118;
- (ii) such minutes book shall be signed and dated by the director;
- (iii) the resolution shall become effective from the date of signing such minutes by the director.

**Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

77. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;



(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

78. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

### **The Seal**

79. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

<sup>2</sup>[Explanation.- : For the purposes of this sub-paragraph it is hereby clarified that on and from the commencement of the Companies (Amendment) Act, 2015 (21 of 2015), i.e. with effect from the 29th May, 2015, company may not be required to have the seal by virtue of registration under the Act and if a company does not have the seal, the provisions of this sub-paragraph shall not be applicable.]

### **Dividends and Reserve**

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

82. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or

credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

84. 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.

85. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

88. No dividend shall bear interest against the company.

### **Accounts**

89. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) 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 authorised by the Board or by the company in general meeting.

### **Winding up**

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(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.

(iii) 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.

### **Indemnity**

91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.