

*Vishal Mehta*  
*1/11*



**THE COMPANIES ACT 1956**  
**COMPANY LIMITED BY SHARES** Govt. of Uttaranchal

**ARTICLES OF ASSOCIATION**  
**OF**  
**KRISHNA HYDROPROJECTS PRIVATE LIMITED**

Interpretation:

1:1 In these Articles, unless thereby something in the subject or context in consistent therewith: -

- (a) "The Company" means KRISHNA HYDROPROJECTS PRIVATE LIMITED.
- (b) "Special resolution" has the meaning as assigned there to by section 189 of the Companies Act, 1956.
- (c) "Register of Members" means register of shareholders or members kept in pursuance of section 150 of the Companies Act 1956.
- (d) "Dividend" includes bonus.
- (e) "Directors" means the directors for the time being of the company or, as the case may be, the directors assembled at a Board meeting.
- (f) "Persons" include firms, associations, partnerships and corporations.
- (g) "Office" means the registered office for the time being of the company.
- (h) "Seal" means the common seal for the time being of the Company.
- (i) "In writing" and "Written" includes printing, litho-graphy and other modes of representing and reproducing words in a visible form.
- (j) "Month" means a month according to the Gregorian calendar.
- (k) Words denoting the singular number only include the plural number and vice versa.
- (l) Words including the masculine gender only include the feminine gender.
- (m) "Secretary" means any person appointed to perform the duties of the secretary temporarily.

293737  
REG. NO.  
20-012919R  
A.O.A.  
D 8800  
N 8800  
A 8800  
T 8800  
K 8800  
R 8800  
S 8800  
12/09/2005  
ARUN H

REC. NO.

*23.9.05*

- (n) "the Act" or "the said Act" means the Companies Act, 1956 for the time being in force and includes all statutory modification thereof from time to time.
- 1.2 Unless the context otherwise requires, words or expressions contained in these articles shall bear the same meaning as in the Act or any modification thereof in force at the date at which these articles become binding on the Company.
2. The company is Private Limited Company within the meaning of Section 2(25) and 3(1)(iii) of the Companies Act, 1956 and accordingly.
- (i) The right to transfer share is restricted in the manner set out hereinafter.
- (ii) The number of members shall be limited to fifty, not including persons who are in the employment of the Company, and persons who, having being formerly in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceases. Provided that where two or more persons hold one or more share in the company jointly, they shall, for the purpose of this Clause, be treated as a single member and
- (iii) No invitation shall be issued to the public to subscribe for any share in or debenture of the Company.
- (iv) Prohibits any invitation or acceptance of Deposits from persons other than its members, Directors and their relatives.
3. The regulations contained in Table 'A' in first schedule to The Companies Act 1956 shall apply to the Company except so far as they are not applicable to Private Company, and are not inconsistent with any of the Clauses hereinafter contained.

#### SHARE CAPITAL

4. The Authorized Share Capital of the Company is Rs 2,00,000/- (Rupees Two lacs) divided into 20,000 (Twenty Thousands ) Equity Shares of Rs 10/- (Rupees Ten) each with the power to increase and decrease the capital of the company and to divide the shares for the time being into several classes and attach thereto respectively any preferential rights, privileges and conditions in such manner as may, for the time being be provided by the regulations of the Company.
5. Except as required by law no person shall be recognized by the Company as holding any share upon and trust and the Company shall not be bound by, or be compelled in any way to recognize (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 entity in the registered shareholder.
6. (i) Every person whose name is entered as member in the register of members shall be entitled to receive within three months after allotment or within two months after the registration of transfer and in any other case i.e. lost or defaced certificate as per Companies Act, 1956.
- (a) One certificate for all shares payment.
- (b) Several certificate each for one or more of his shares upon payment of two rupee or such smaller amount as the Directors may fix for every certificate after the first.
- VJ*

- (ii) Every certificate shall be under the Seal of the company and shall specify the shares to which it relates and the amount paid thereon.
- (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 or several joint holders shall be sufficient delivery to all such holders.
7. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any not exceeding rupees two & on such terms if any, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence; as the Directors think fit.

#### **TRANSFER AND TRANSMISSION OF SHARES:**

8. A share may be transferred, by a member or other person entitled to transfer, to any member selected by the transferor, but save as mentioned in Clause 14 and 16 hereto no share shall be transferred to a person who is not a member so long as a member or any person selected by the Directors as one whom it is desirable in the interest of the Company to admit membership, is willing to purchase at a fair value.
9. The person proposing to transfer any share (hereinafter called the "Proposing Transferor") shall give notice in writing (hereinafter called a "Transfer Notice") to the Company that he desires to transfer the same. Such notice shall specify the sum he fixes as fair value and shall constitute the Company, his agent for the sale of the shares to any member of Company (or person selected as aforesaid) at the price so fixed, or at the option of the purchaser at such value to be fixed by the Auditors of the Company in accordance with these Articles. A transfer notice may include several shares, and in such cases shall operate as if it were a separate notice in respect of each. Transfer Notice shall not be revocable except with the sanction of the Directors.
10. If the Company shall within the space of two calendar months after being served, with a Transfer Notice, find a member (or person selected as aforesaid) willing to purchase the share (hereinafter called the "Purchasing Member") and give notice thereof to the proposing Transferor, he shall be bound upon payment of the fair value to transfer the share to the Purchasing Member.
11. In case any difference arises between the proposing transferor and purchasing member as to the fair value of the share and the board of directors may for such fixation of value seek advice from the auditors of the Company and expenses both as shall be involved in obtaining such services shall be paid for by parties equally.
12. If, in any case the Proposing Transferor, after having become bound as aforesaid, makes default in transferring the shares, the Company may receive the purchasing money, and shall there of two calendar months after being served by the Transfer Notice, find a member (or person selected as aforesaid) willing to purchase the shares and give notice in manner aforesaid, the Proposing Transferor shall at any time within two calendar months afterwards be at liberty to sell and transfer the shares to any person and at any price not less than the fair value fixed in accordance with Article 9 or 11 hereof.
13. The Company in General Meeting may by a Special Resolution make and from time to time vary rules as to the mode in which any share specified in any Transfer Notice shall be offered to the member, and as to their right in regard to the purchase thereof and in particular may give any member or class of members preferential right to purchase the same. Until otherwise determined every such share shall be offered to the member in

*M*

such order shall be determined by lots drawn in regard thereto and the lots shall be drawn in such manner as the Directors think fit.

14. Any share may be transferred by a member to any of his children, father, mother, wife or husband of such member or to any trustees for such person or any of them and any share of deceased member may be transferred by his executors or administrators or by the holder of the succession certificate issued in respect of the share of deceased trustee or trustees for such person or any of them and standing in the names or name of any such trustees to the trust for the time being and the restriction in Clause 8 and 9 hereof shall not apply to any transfer authorized by this Clause.
15. The Directors may refuse to register any transfer of a share (s):
  - (a) Where the Company has a lien on the share and
  - (b) in case of shares not fully paid up, where the Directors are not of the opinion that it is desirable to admit the proposed transferee to membership. But item (b) of this clause shall not apply to a transfer made pursuant to Clause 15 hereof.
16. The executors and administrators or the holders of a succession certificate issued in respect of the share of a deceased member (whether he was a member of a Hindu Joint Family or not) and not being one of the several joint holder shall be the only person whom the Company shall be bound to recognize as having any title to the shares registered in the name of such member and in case of the death of any one or more of the joint holders of any registered shares, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of the deceased joint holder from any liability on shares held by him jointly with any other person. Provided, nevertheless, that in any case where the Directors are to dispense with the production of probate or letters of administration of a succession certificate or such legal representation upon such terms (if any) as to indemnify or otherwise as the directors may consider necessary or desirable. Provided also that the holder of a succession certificate shall be entitled to receive any dividends already declared but not paid to the deceased member unless the succession certificate declares that the holder thereof is not entitled to such dividends.

#### ALTERATION OF CAPITAL

17. 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.
18. The Company may, by special resolution:
  - (a) Consolidate and divide all or any of its capital into shares of larger amount than its existing share.
  - (b) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by Memorandum subject nevertheless to the provisions of Clause (d) of sub section 94 of the Act.
  - (c) Cancel any shares which, at the date of passing of resolution have not been taken or agreed to be take by any person.
19. The Company may, by special resolution, reduce in any manner with any subject to any consent required by law:-

*M*

- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.
20. Subject to the provisions of Sections 100 to 104 inclusive of the Act, the Board may accept from any member the surrender on such terms and conditions as shall be agreed of all of any of his or her shares.

#### GENERAL MEETING

21. The first Annual General Meeting of the Company shall be held within eighteen months from the date of incorporation of the Company. The Company shall in each year and within six months of the financial year of the Company hold, in addition to any other meeting, a General Meeting as its Annual General Meeting and not more than fifteen months shall elapse between the date of the Annual General Meeting of the Company and that of the next: provided that when the Registrar of Companies for any special reason, extend the time within which Annual General Meeting may be held, within that period. Every Annual General meeting shall be called for during business hours on a day that is not a public holiday and shall be called for during business hours on a day that is not a public holiday and shall be held either at the Registered Office of the company or at some other place within the city, town or village in which the registered office of the Company is situated.
22. All General Meeting other than Annual General Meeting shall be called Extraordinary General Meeting.
23. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall on the requisition of the holders of not less than one-tenth of the paid up share capital of the company upon which calls or other sums then due have been paid and as on that date carry voting right forthwith proceed to convene an Extraordinary General Meeting of the Company. In the case of such requisition the following provisions shall have effect:-
- (a) The requisition must state the objects of the meeting and must be signed by the requisitioner and deposited at the office and may consist of several documents in the like form each signed by one or more of the requisitioner. The requisitioner may deposit with the Company sufficient funds to meet the expenses of the convening such meetings.
  - (b) Where two or more distinct matters are specified in the requisition the provisions of sub-clause (1) shall apply separately in regard to each such matter and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that sub-clause is fulfilled.
  - (c) If the Directors do not, within twenty one days of the deposit of a valid requisition in regard to any matters proceed duly to call meeting for the consideration of those matters on a day not later than forty five days from the date of the deposit of the requisition the meeting may be called by the requisitioner themselves.
  - (d) Any meeting convened under sub-clause (c) above by the requisites shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by

*111*

Directors but shall not be held after the expiration of three months from the date of deposit of the requisition.

- (e) A requisition by joint holders of share must be signed by all such holders.
- (f) Any reasonable expenses incurred by the requisitioner by reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitioner by the Company and any sum so repaid shall retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration of their services to such of the Directors as were in default.

#### NOTICE OF MEETING

26.

- (a) A General Meeting of the Company shall be called by giving not less than seven days notice in writing to all members entitled to receive the same. However the Company shall comply with section 219 of the Companies Act, 1956.
- (b) Every notice of meeting shall specify the place, date and time of the meeting and shall contain a statement (in the form of 'Agenda') of the business to be transacted at the meeting.
- (c) Notice of every meeting of the Company shall be given to every member of the Company, including the persons entitled to a share in consequence of the death or insolvency of a member, and the auditors of the Company as provided for in section 172 of the Act and in any manner authorized by sub-sections (1) to (5) of Section 53 of the Act.
- (d) In every notice there shall appear with reasonable prominence a statement that a member entitled to vote is entitled to appoint a proxy to attend and vote instead of himself and that the proxy need not be a member of the Company.
- (e) Accidental omission to give notice to or the non-receipt of a notice by any member or any other person to whom it should be given shall not invalidate the proceedings of any meeting.

27.

- (a) In the case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special, with the exception of business relating to:
  - (i) consideration of the accounts, Balance Sheet, Profit and Loss Account, the Report of the Board of Directors and the Auditors Report;
  - (ii) the declaration of dividend;
  - (iii) the appointment of Directors in place of those retiring.
  - (iv) The appointment and the fixing of the remuneration of the Auditors;
- (b) In case of any other meeting all business shall be deemed special.
- (c) Where any item of business to be transacted at the meeting is deemed to be special, as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including, in particular the nature and extent of the interest (if any) therein of every Director.

*m*

- (d) For passing a Special Resolution the notice for the meeting shall clearly specify that it will be Special Resolution.
- (e) On receipt of a Special Notice under Section 190 of the Act the Company shall give to its members a copy of such Special Notice in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof by advertisement a newspaper not less than seven days before the meetings.

#### **PROCEEDINGS AT GENERAL MEETINGS**

28.

- (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 do business.
- (ii) Save as herein otherwise provided, two members present in person shall be a quorum for all purposes at any General Meeting.

29. The Chairman, at every General Meeting of the Company, shall be nominated by the Board.

30. If the Chairman, is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, the Directors present shall choose one of their numbers to be Chairman of the meeting.

31. In at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after time appointed for holding the meeting the members present shall elect one of their numbers to be the Chairman of the meeting.

32.

- (i) The Chairman may, with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting adjourn the meeting from time to time and 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 case of an original meeting.

33. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

34. At any General Meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded, a declaration made by the Chairman that the resolution has or has not been carried, either unanimously or by a particular majority and an entry to that effect in the book containing the minutes of the fact, without proof of the number or proportion of the votes cast in favour of or against the resolution.

#### **VOTES OF THE MEMBERS**

35. Subject to any rights or restrictions for the time being attached to any class or classes of shares.

- (a) on a show of hand every member present in person shall have one vote; and

*17*

- (b) on a poll, the voting rights of members shall be as laid down in Section 87 of the Act.
36. (i) Any member of the Company entitled to attend and vote at a meeting of the Company shall also be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but the proxy so appointed shall have no right to speak at the meeting or to vote on a show of hands unless such member in a corporation present by a proxy or a Company present by a representative duly authorized under Section 187 of the Act. However, the instrument appointing the Proxy shall be deemed to confer authority to demand a poll.
- (ii) Any person entitled under the transmission clause to transfer any shares may vote at any General meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that at least forty eight hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer, such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
- (iii) Where there are joint registered holders of any share, any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he was solely entitled thereto and if more than one such joint holder be present at any meeting personally or by proxy tan one of the said person so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Where there are several executors or administrators of a deceased member in whose sole name any shares stands anyone of such executors or administrators may vote in respect of such shares unless any other of such executors or administrators is present at the meeting at which such a vote is tendered and object to the vote.
- (iv) The instrument appointing the proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing or if such appointer is a corporation under its common seal or the hands of its attorney. The instrument appointing a proxy shall be in either of the forms in schedule IX of the Act or a form as near three-to as circumstances admit.
- (v) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notaries certified copy of that power of authority shall be deposited at the registered office of the Company not less than forty hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.
- (vi) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or transfer to the share in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer shall have been received at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- (vii) A proxy last received by the Company shall be taken as the effective proxy.
- (viii) No member shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another member at any General Meeting or

VOT



upon a pool or be reckoned in a quorum whilst any call or sum shall be due and payable to the Company in respect of shares held by such member.

#### **DIRECTORS**

37. Unless and until otherwise determined by the Company in General Meeting the number of Directors shall not be less than two and no more than twelve including the nominee Directors.
38. The first Directors of the Company are:
1. Mr. Dalip Dua
  2. Mr. O.P. Dua
  3. Mrs. Soniya dua
  4. Mrs. Urmil Dua
39. A Director shall not be required to hold any shares in the capital of the Company as his qualification shares.

#### **BOARD OF DIRECTORS**

40. The Board shall have powers at any time and from time to time to appoint any person as a director as an addition to the Board but so that the total number of the directors shall not, at any time, exceed the maximum number fixed by article 36. Any director so appointed shall hold office only until the next Annual General Meeting of the Company and shall then be eligible for re-election subject to the provisions of the Act.
41. The managing Director shall be responsible for the management of the affairs of the Company during meetings of the Board of Directors and the Board of Directors shall normally abide by the directors and decisions of the Managing Director.

#### **MANAGEMENT**

42. Whilst and whenever there is no Managing Director, the Directors for time being may exercise all the powers and perform all the duties hereby expressed and vested in the Directors.
43. The Director may from time to time, appoint one or more of their body to the Managing Director, Technical Director or Directors of the Company either for a fixed term or without any limitation as to the period and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.
44. The remuneration of a Managing Director or Technical Directors shall (subject to the provisions of any contract between him/them and Company) from time to time be fixed by Directors, and may be by way of fixed salary, or commission on profits or turnover of the Company, and that they be paid a pension from any person or persons and secure the payment of any sum or sums of money for the purposes of the Company and the Directors may from time to time at their direction exercise this power and may themselves

*17*

led to the Company on security or otherwise, including borrowings from banks and other financial institutions including U.P. Financial Corporation, I.F.C.I., L.I.C. of India.

47. (a) Any debentures, securities, other instruments issued by the Company for securing the payment of money may be so framed that the money thereby secured be assigned free from equities between the Company and the person to whom the same may be issued.
- (b) If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors may by instrument under the seal authorize the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions herein before contained in regard to calls shall mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally and either presently or contingently and either to the exclusion of the Directors, power or otherwise and shall be assignable if so expressed.

#### PROCEEDINGS OF THE BOARD

48. (i) The Board of Directors may meet as required under Section 285 of the Act for the dispatch of the business, adjourn and otherwise regulate its meeting as it thinks fit.
- (ii) A Director may, and Secretary, on the requisition of Director shall, at any time, summon a meeting of the Board.
- (iii) The quorum of a meeting of Directors or a Committee of Directors shall be two Directors of 1/3rd of the total strength of the Board whichever is higher.
49. As such otherwise expressly provided in the Act, question arising at any meeting of the Board shall be decided by a majority of votes.
50. The continuing Directors may Act, notwithstanding any vacancy in the Board, but if and so long as the number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Director may act for the purpose of increasing the number of Directors to that fixed for the quorum or summoning a General meeting of the Company, but for no other purpose.
51. The Director shall choose one of their members to be Chairman of the Board and of General Meeting from among themselves for the term between two Annual General Meetings.
52. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to a Committee consisting of such member of 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 regulation that may be imposed on it by the Board.
53. (i) A Committee may elect a Chairman of its meetings.
- (ii) If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed or holding the meeting the members present may choose one of their number to be Chairman of that meeting.
54. (i) A Committee may meet and adjourn as it thinks proper.

*VM*

(ii) Questions arising in any meeting of a Committee shall be determined by majority of votes of the members present and in all voting the Chairman shall have a casting vote.

55. All acts done by 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 Directors or any one person acting as aforesaid or that they or any one of them were disqualified, be valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
56. Subject to the provisions of Section 289 & 292 of the Act, a resolution in writing signed by all the members of the Board or a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or a Committee shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee, duly convened and held.
57. The Directors may entrust and confer upon a managing Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary any of such powers.
58. A Secretary may be appointed by the Directors either from among themselves or otherwise provided he possesses the necessary qualifications, for such terms, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them.

#### THE SEAL

59. (i) The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the prior authority of the Board or a committee of the Board.
- (ii) Every deed or other instrument to which the Seal of the Company is required to be affixed shall be signed by any two Directors, one of whom shall be the Managing Director, if any. The share certificate shall be sealed and signed in accordance with the provisions of Companies of Share Certificate Rules 1960.

#### ACCOUNTS

60:1

- (a) The Directors shall cause proper books of account to be kept with respect to all sums of money received and expended by the Company, all matters in respect of which the receipt and expenditure take place all sales and purchases of goods and all assets and liabilities of the Company.
- (b) If the Company shall have Branch Office (whether in or outside India) proper books of accounts relating to the transactions effected at the office will be kept at the office and proper summarized returns made up to date at intervals of not more than three months shall be sent by the Branch Office to the Company at its Registered Office other place in India, as the Board thinks fit, where the main books of the Company are kept.

*17*

- (c) All the aforesaid books shall give in fair and true view of the affairs of the Company or its Branch Office, as the case may be, with respect to the matters aforesaid and explain its transaction.
- (d) The Books of accounts shall be open to inspection by any Director during business hours.
- 60:2 The Books of accounts shall be kept at the Registered Office or at such other place as the Directors think fit.
- 60:3 The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members. No member (not being a Director) shall have any right of inspecting any account or book or document of the company except as conferred by statute or authorized by the Directors or by a resolution of the Company in General Meeting.
- 60:4 The Board of Directors shall lay before each Annual General Meeting a Profit and Loss Account for the Financial year of the Company and Balance Sheet made up at the Financial year which shall be a date which shall not proceed the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
- 60:5
- (a) Subject to the provisions of the Section 211 of the Act every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in part I and II, respectively, of schedule VI of the Act as near thereto as circumstances admit.
- (b) So long as the Company is a holding Company having subsidiary, the company shall confirm to section 212 and other applicable provisions of the Act.
- 60:6
- (a) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by not less than two Directors of the Company one of whom shall be the Managing Director, if any.
- (b) The Balance Sheet and Profit and Loss Account shall be approved by the Board of Directors before these are signed on behalf of the Board in accordance with the provisions of this article and before these are submitted to the Auditors for their report thereon.
- 60:7 Every Balance Sheet before the Company in General Meeting shall have the following attached to it:-
- (a) Profit and Loss Account.
- (b) Auditors Report.
- (c) Report by the Board of Directors with respect to the following:
- (i) The state of Company's affairs.
- (ii) The amounts, if any, which Board of Directors proposes to carry to any 'Reservers' either in such Balance Sheet or in a subsequent Balance Sheet.

VA

- (iii) The amount, if any, which the Board of Directors recommended to be paid by way of dividend.
- (iv) Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of Report by the Board of Directors.
- (v) The Report by the Board of Directors shall, so far as it is material for the appreciation of the state of Company's affairs by it's members and will not, in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any charges which have occurred during the financial year in the nature of Company's business, in the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.
- (vi) The Board shall also give the fullest information and explanation in its report or, in cases falling under the provision to Section 222 of the Act, in the addendum to that report on every reservation qualification are adverse remark contained in Auditor's Report.
- 60:8 The Report by the Board of Directors and addendum thereto, if any shall be signed by its Chairman, if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Balance Sheet and Profit and Loss Account of the Company by virtue of sub-clause (a) and (b) of article 59:6.
- 60:9 The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Article 59:7 above are complied with.
- 60:10 The Company shall comply with the requirements of Section 219 of the Act.
- 61:1 Subject to the provisions of Section 224 of the Act, the Company shall at its Annual General Meeting appoint Auditors from the conclusion of that meeting until the conclusion of the next Annual General Meeting.
- 61:2 Every Balance Sheet and Profit and Loss Account of the Company shall be audited by the auditor or auditors of the Company appointed vide Article 60:1 above.

#### **SECRETARY**

62. A Director or any other person may be appointed as secretary subject to Article 57 hereof and provision of Section 314 A of the Companies Act.

#### **DIVIDENDS AND RESERVES**

63. The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
64. The Board may from time to time pay to the members such dividends as appears to it be justified by the profits of the company.
65.  
(i) Subject to the right of the persons, if any entitled to shares with special rights as to dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect where of the dividend is paid but as long as nothing is paid upon

*VII*

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 call shall be treated for the purpose of this regulation as paid on 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 shares rank for dividend accordingly.
66. (i) Any dividends, interest or other payable in cash in respect of shares may be paid by cheques or warrants sent through the post direct to the Registered address of the holder or, in the case of joint holders to the address appearing first in the Register of Members or 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.
67. Any one of the two or more joint holders of a share may give effectual receipt for any dividends, bonuses and other moneys payable in respect of such share.
68. 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.
69. No dividend shall bear interest against the Company.

#### **CAPITALISATION OF PROFITS AND RESERVES**

70. (i) The Company in General Meeting may upon the recommendation of the board, resolve:-
- (a) That it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's account, 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 provisions contained in Clause.
- (iii) either in or towards:
- (a) paying up any amounts for the time being unpaid on shares held by such members respectively;
  - (b) paying in full, unissued shares or debentures of the Company to be allotted and distributed credited as full paid-up, to and amongst such members in the proportions aforesaid; or
  - (c) partly in the way specified in sub-clause (b)

*VN*

- (iv) Share premium account and capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying of unissued shares to be issued to members of the Company as fully paid bonus shares.
- (v) The board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- 71. (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 capitalized thereby and allotments and issues of fully paid shares or debentures, if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have full powers:-
  - (a) to make such provisions, by the issue of fractional certificate or by payment in cash or otherwise as it thinks fit, for the case of shares or debentures becoming distributable in fractions; and also
  - (b) to authorize 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 or debentures as to which they may be entitled upon such capitalization, or (as the case may require) or the payments by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on the existing shares.
- (iii) Any agreement made under such authority shall be effective and binding on all such members.


#### **WINDING UP**

- 72. (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 deem fair upon any property to divided as aforesaid and may determine how such division shall be carried out as between the 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 as the liquidator with the like sanction, shall think fit, but so that no member or members shall be compelled to accept any shares or other securities whereon there is any liability.

#### **INDEMNITY**

- 73. Subject to the provisions of section 201 of the companies Act 1956, Every officer or agent for the time being 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 connection with an application under Section 633 of the Act in which relief is granted to him by court.

*VH*

S.No.	Names, Address and Description of subscribers And signatures	Signature	Name & Address & Occupation of Witness
1	DALIP DUA 467, Khurbura Dehra Dun 248001 occ- Business	Dalip Dua	 S/o R. M. Sindal 10/11, Ballapur Dehradun Chartered Accountant MNO 77986
2	SONIYA DUA 467, Khurbura Dehradun 248001 occ- Business	Soniya Dua	
3	Urmil DUA 467, Khurbura Dehradun 248001 occ- Business	Urmil Dua	
4	O. P. DUA 467, Khurbura Dehra Dun-248001 occ- Business	O. P. Dua	

Place - Dehradun

Date - 8-9-05

कम्पनी नं० ३०६११  
 रजिस्ट्रीकरण तिथि २३-९-०५  
 विघटन तिथि  
 तिथि

17