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**3i Infotech Limited**

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**MEMORANDUM OF ASSOCIATION  
and  
ARTICLES OF ASSOCIATION**

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भारत सरकार-कॉर्पोरेट कार्य मंत्रालय  
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई

कम्पनी अधिनियम, 1956 की धारा 18 (1) (क)  
उद्देश्य-खंडों में परिवर्तन की पुष्टि हेतु विशेष विनिश्चय के पंजीकरण का प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L67120MH1993PLC074411

मैसर्स 3i Infotech Limited

के अंशधारकों ने दिनांक 09/07/2008 को आयोजित की गई वार्षिक / असाधारण बैठक में एक विशेष विनिश्चय पारित करके कम्पनी अधिनियम, 1956 (1956 का 1) की धारा 18 (1) का अनुपालन करते हुए अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है।

मैं, एतद्वारा सत्यापित करता हूँ कि उक्त विशेष विनिश्चय की प्रतिलिपि, यथा परिवर्तित संगम-ज्ञापन के साथ, आज पंजीकृत कर ली गई है।

मेरे हस्ताक्षर द्वारा मुंबई में यह प्रमाण-पत्र, आज दिनांक इक्कीस जुलाई दो हजार आठ को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, Maharashtra, Mumbai

SECTION 18(1)(A) OF THE COMPANIES ACT, 1956

Certificate of Registration of the Special Resolution Confirming Alteration of Object  
Clause(s)

Corporate Identity Number : L67120MH1993PLC074411

The share holders of M/s 3i Infotech Limited having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 09/07/2008 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section.(18)(1) of the Companies Act, 1956 (No. 1 of 1956).

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Mumbai this Twenty First day of July Two Thousand Eight.



(SHRIRAM MOTIRAM SAINDANE)

उप कम्पनी रजिस्ट्रार / Deputy Registrar of Companies  
महाराष्ट्र, मुंबई  
Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

3i Infotech Limited  
TOWER # 5, INTERNATIONAL INFOTECH PARK,, VASHI STATION, COMPLEX,,  
NAVI MUMBAI - 400705,  
Maharashtra, INDIA

U 67120 MH 1993 PLC 074411

No.11 -74411

**FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME**

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,  
MUMBAI**

In the matter of **ICICI INFOTECH LIMITED**

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Ministry of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company.

from **ICICI INFOTECH LIMITED**

to **3i Infotech Limited**

and I hereby certify that **ICICI INFOTECH LIMITED**

which was originally incorporated on **11th** day of **October 1993** under the Companies Act, 1956 and under the name **ICICI INVESTORS' SERVICES LIMITED** having duly passed the necessary resolution in terms of section 21/22(1) (a)/22(1)(b) of the Companies Act, 1956 the name of the said Company is this day changed to

**3i Infotech Limited**

and this certificate is issued pursuant to Section 23(1) of the said Act/  
Given under my hand at MUMBAI this **20th**

**JANUARY ~~2004~~ 2005**



**( A.S. SINGH )**  
Asst. Registrar of Companies  
Maharashtra, Mumbai

No. 11- 74411

**FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME**

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,  
MUMBAI.**

In the matter of ICICI INFOTECH SERVICES LIMITED

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Department of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company.

from ICICI INFOTECH SERVICES LIMITED

to ICICI INFOTECH LIMITED

and I hereby certify that ICICI INFOTECH SERVICES LIMITED

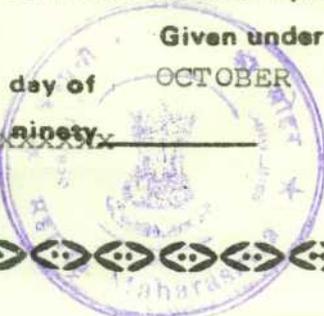
which was originally incorporated on 11th day of OCTOBER 1992 under the Companies Act, 1956 and under the name

ICICI INVESTORS' SERVICES LIMITED having duly passed the necessary resolution in terms of section 21/22/(1) (a)/22(1) (b) of the Companies Act, 1956 the name of the said Company is this day changed to

ICICI INFOTECH LIMITED and this certificate is issued pursuant to Section 23(1) of the said Act/

Given under my hand at MUMBAI this 23rd day of OCTOBER 2002 one thousand nine hundred and ninety

*M. S. Karambe*  
(M. S. KARAMBE)  
DY. Registrar of Companies  
Maharashtra, Mumbai.



No. 11-74411

FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,  
MUMBAI.

In the matter of ICICI INVESTORS' SERVICES LIMITED

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Department of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company.

from ICICI INVESTORS' SERVICES LIMITED

to ICICI INFOTECH SERVICES LIMITED

and I hereby certify that

ICICI INVESTORS' SERVICES LIMITED

which was originally incorporated on ELEVENTH day of ~~OCTOBER~~ <sup>OCTOBER</sup> 1993 under the Companies Act, 1956 and under the name

ICICI INVESTORS' SERVICES LIMITED having duly passed the necessary resolution in terms of section 21/~~207A~~ <sup>207</sup> of the Companies Act, 1956 the name of the said Company is this day changed to

ICICI INFOTECH SERVICES LIMITED and this certificate is issued pursuant to Section 23(1) of the said Act/

Given under my hand at MUMBAI this NINTH day of MARCH one thousand nine hundred ninety NINE.

(N. KRISHNAMURTHY)  
Registrar of Companies  
Maharashtra, Mumbai.



No. 11— 74411

(Section 18(1) of the Companies Act, 1956)

**CERTIFICATE OF REGISTRATION OF  
SPECIAL RESOLUTION PASSED FOR  
ALTERATION OF OBJECTS**

M/s. ICICI INVESTORS\* SERVICES LIMITED

having by Special Resolution passed on 17/02/1999

altered the provisions of its Memorandum of Association  
with respect to its objects, and a copy of the said resolution  
having been filed with this office on 22/02/1999

I hereby certify that the Special Resolution passed on 17/02/99  
together with the printed copy of the Memorandum or  
Association, as altered, has this days been registered.

Given under my hand at MUMBAI

this NINTH day of MARCH

One thousand Nine hundred ninety NINE.



*(Signature)*  
(N. KRISHNAMURTHY)  
ASSTT./REGISTRAR OF COMPANIES,  
MAHARASHTRA, MUMBAI.

No. 11-74411



सत्यमेव जयते

कारबार प्रारम्भ करने के लिए प्रमाण-पत्र  
Certificate for Commencement of Business

कम्पनी अधिनियम, 1956 की धारा 149(3) के अनुसार  
Pursuant of Section 149(3) of the Companies Act, 1956

मैं एतद्वारा प्रमाणित करता हूँ कि

जो कम्पनी अधिनियम, 1956 के अधीन तारीख ..... को नियमित की गई  
की और जिसने आज विहित प्रारूप में सम्यक रूप से सत्यापित घोषणा फाइल कर दी है कि  
उक्त अधिनियम की धारा 149(1) (क) से लेकर (घ) तक/149(2) (क) से लेकर (ग)  
तक की शर्तों का अनुपालन किया गया है, कारबार प्रारम्भ करने को हकदार है।

I hereby certify that the **ICICI INVESTORS SERVICES**  
**LIMITED**

which was incorporated under the Companies Act, 1956, on the **ELEVENTH**  
**OCTOBER** 19 **93** 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.

मेरे हस्ताक्षर से यह तारीख ..... को  
में दिया गया।

Given under my hand at **BOMBAY**  
this **TWENTIETH** day of **DECEMBER** 19 **93** and **one thousand nine hundred and NINETY THREE**

(S. K. MANDAL)

ADDL. कम्पनियों का रजिस्ट्रार  
Registrar of Companies



महाराष्ट्र-230 सिविल/88-88 6-भांडमंडेक-(सी-71)-14-7-88-5,000.  
C-71-(C-71)-14-7-88-5,000.



सत्यमेव जयते

प्रारूप० आई० आर०  
Form I. R.

निगमन का प्रमाण-पत्र

## CERTIFICATE OF INCORPORATION

ता०.....का सं०.....

No. 11-74411 of 19 93

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

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

I hereby certify that ICICI INVESTORS' SERVICES  
LIMITED

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

मेरे हस्ताक्षर से आज ता०..... को दिया गया।

Given under my hand at BOMBAY this ELEVENTH

day of OCTOBER.... One thousand nine hundred and NINETYTHREE



(S.R.V.V. SATYANARAYANA)

कम्पनियों का रजिस्ट्रार

ADDL. Registrar of Companies  
Maharashtra

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3i Infotech Limited  
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**COMPANIES ACT, 1956**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**3i INFOTECH LIMITED**

- I. The name of the Company is 3i Infotech Limited.
- II. The Registered Office of the Company will be situated in the state of Maharashtra
- III. The objects for which the Company is established are as follows

**A THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED ON ITS INCORPORATION ARE:**

1. To provide services in connection with issue and transfer of various securities, shares, stocks, debentures, bonds, fixed deposits, derivatives, units of mutual funds and all other types of financial instruments by acting as Registrars to the issue and Registrars and Transfer Agents; to render custodial and depository services; securitization services, to act as Issue Agents, Paying Agents; to provide back office services such as processing of documents, forms, scanning, storage, access, retrieval, encryption, whether in electronic form or physical form, secure custody in relation to above, whether for a domestic entity or foreign entity whether in India or abroad.
2. To design, develop, create, manufacture, improve, implement, customize, install, distribute, market, buy, sell, lease, license, trade, import, export, communicate and / or transmit by any mode including through electronic mode, deal, alter, modify, code, decode, encrypt, decrypt and maintain any software including packaged software, computer program, database, information, firmware, source code, software tools, technologies, solutions, whether onsite or offsite, either directly or indirectly.
3. To design, develop, manufacture, fabricate , construct, assemble, implement, install, acquire, buy, sell, market, hire, transfer, lease, license, supply, trade, import, export, deal, use, dispose, operate, distribute, alter, modify, charter, recondition, repair, work upon and maintain, any machine, equipment, tools, apparatus, appliances, systems, mechanical, electronic, electromechanical, technical and / or technology products and systems and program products, transmission lines, transmission equipment, terminals, facilities and accessories and devices of all kinds including any components or parts thereof or materials or articles used in connection therewith and any and all other devices, materials, substances, accessories, articles or things of a character similar or analogous to the foregoing or any of them or connected herewith and of any such technology as may be developed in future and to render all sorts of services and technical assistance related to above, whether onsite or offsite, either directly or indirectly.
4. To provide / render consultancy / advisory services on matters relating to software solutions/ products, business intelligence, strategy planning, Information Technology (IT) and IT enabled services, scientific or mathematical information, front and back office services, system analysis, communication networks, database, information and data centers, image and data processing systems, organizational requirements and restructure, administration, finance, secretarial, management, personnel, commencement or expansion of industry and business, commercial, legal, economic, labour, industrial, public relations, marketing, publicity, science, technology, direct and indirect taxation and other levies, statistical, accounting, programming, quality control, data processing and designing for any commercial or non commercial entity(incorporated or unincorporated) whether in India or abroad.
5. To act as service organization or bureau to provide services in various fields like software solutions, software products, IT and IT enabled services, web enabled services, web filing services, wired and / or wireless connectivity as well as internet connectivity, value added services, electronic commerce, services in various forms such as voice, email, chat and collaborative browsing, data base and data processing services, and all kinds of communications as are in use or may be developed in future, e-Governance projects including but not limited to Government to Citizens (G2C), Business to Customers (B2C), Business to Business (B2B), Customer to Customer (C2C), projects of any ownership model, Turnkey projects, System Integration and management services, legal, accounting, administrative, finance, marketing, secretarial, public relations, human resource and all broking, intermediary and ancillary services / facilities for any commercial or non-commercial entity engaged in any business activity (incorporated or unincorporated) whether in India or abroad.
6. To provide facilities management in the area such as help desk facilities, call centre management, Information Technology operations, configuration, asset and infrastructure management, back-up and recovery, network operations, security solutions and administration and management of security services, devices, mechanisms, solutions, remote administration, data, software, online maintenance, user training, data base management, disaster recovery, planning and execution.
7. To establish, operate, manage and supervise data / information centers, exchanges and bureaus, to give out computer machine time; to engage in collection, receipt, processing, alteration, adaptation, modification, correction, analysis, classification, grading, sorting, qualitative and quantitative rating and ranking of the information and data and dissemination

of information and providing / sharing of data either in India or abroad; to provide assistance and consultancy related thereto.

8. Carrying on the business of engineering consultants and administrations, organisations, undertakings, institutions, industry and business, and to undertake preliminary planning, site development studies, feasibility reports, design engineering, procurement, factory inspection, construction management, trial and acceptance testing, operator training, plant betterment services, etc., including technical and specialised advice on projects.
9. Engaging in and conducting research, to carry on investigation and experiments of all kinds; to originate, develop and improve discoveries, inventions, processes and formulae and to utilize the outcomes of the above to manufacture, exploit, use, purchase or otherwise acquire, own, hold, operate, sell, transfer, lease, license, distribute or otherwise dispose off and generally to deal in, property of every kind and description for the said purpose whether related to the existing business of the company or otherwise either for itself or for clients, whether in India or abroad.
10. Establishing, maintaining and conducting training schools, courses, and programs in connection with the use, purchase, sale, import, export, license, distribution, design, development, architecture, manufacture or rental of software, software products, services, business process and support services, web services, machines, apparatus, appliances, systems and merchandise of articles required in the use thereof or used in connection therewith and to provide such training and recruitment services and qualified workforce to various divisions of the company or outside company.
11. To act within or outside India as trustees for mutual funds, offshore funds, pension funds, provident funds, venture capital funds, insurance funds, collective or private investment schemes, employee welfare or compensation schemes or any other schemes, bonds or debentures and for this purpose set up, settle, declare or execute trusts and to act as a trustee for the benefit and in the interest of the beneficial interest holders.
12. To act as the Authorized Business Partner, Authorized Service Provider or Channel Partner or Dealer in relation to buying, selling, distributing, marketing, maintaining of various software products, solutions, IT Services, Network devices, other networking solutions, computer hardware, devices, components, peripherals, consumables and stationery, Internet services.
13. To grow organically and inorganically either by way of setting up, incorporation, formation, acquisition, amalgamation, merger, takeover of various companies whether directly or indirectly through association, joint-venture, partnership with any other entity or through wholly-owned / partly owned subsidiaries whether in India or abroad and to buy, subscribe, purchase, acquire, hold, transfer, sell in its name or through its nominees / representatives / subsidiaries / associates / joint ventures as may be appropriate from time to time in the form of shares, stock, contributions, debentures or any other type of security / ies in the capital of any company, firm, trust or such other entity.

**B. OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE:**

1. (i) Purchasing or otherwise acquiring, taking on lease or license or in exchange, hire or otherwise, acquiring any immovable or movable property, right or privilege which the Company may think necessary or convenient for any business of the Company, and developing and turning to account and dealing with the same and, in particular, any land, tenement, building and easement in such manner as may be thought expedient, and constructing, altering or reconstructing and maintaining any immovable or movable property or building or works, mills, plant or equipment and machinery as may be found necessary or convenient for the purpose of the Company, and paying for the same either in cash or in shares or securities or otherwise dispose of or grant the rights over or in respect of such property on lease/rent and by advancing money to and entering into contracts and arrangements with builders and others;
  - (ii) Letting out any portion of any premise for residential, trade or business or other private or public purposes and collecting rents and income and supplying to tenants and occupiers and others, refreshments, clubs, public hall, messengers, lights, waiting rooms, reading rooms, meeting rooms, lavatories, laundry conveniences, electric conveniences, garages and other amenities;
  - (iii) Selling, improving, managing, developing exchanging leasing, giving, on licence, mortgaging or transferring business, property and undertakings of the Company, or any part thereof, with or without any consideration which the Company may deem fit to accept for arranging the main objects of the Company.
2. (i) Acquiring and undertaking all or any part of the business, property and liabilities of any person or company carrying on or proposing to carry on any business which the Company is authorized to carry on or in possession of property suitable for the purpose of the Company;
  - (ii) Forming, promoting or organizing and assisting or adding in forming, promoting, subsidising, organizing, or aiding companies, syndicates or partnerships of all kinds for the purpose of acquiring and undertaking any property and liabilities of this Company or any other Company or of advancing directly or indirectly the objects thereof or for any other purpose which this Company may think expedient and taking or otherwise acquiring; holding and disposing of shares, debentures and other securities in or of any such company and subsidising or otherwise assisting any such company.

3. Establishing and maintaining branches or agencies at any place or places in India or abroad for the conduct of the business of the Company, or for the purposes of enabling the Company to carry on its business more efficiently as also to discontinue and reconstitute any such branch or agency when thought necessary and as found convenient.
4. Undertaking the custody of capital market instruments, shares, securities, money market instruments, goods and materials and warehouses.
5. Providing consultancy services for secretarial, administrative and/or any other similar activity.
6. (i) Setting up, establishing, promoting, running and conducting training institutions, training centres, research and development centres, in the areas in which the Company is authorized to carry on business;
- (ii) Training or paying for training in India or abroad any of the Company's employees or officers of any candidate in the interest of or furtherance of the Company's objects.
7. Granting loans or making deposits and advances or providing financial assistance in any other form with or without interest and/or with or without security out of the Company's funds not immediately required for the purpose of business of the Company.
8. (i) Buying, acquiring, selling, disposing of, exchanging, converting, underwriting, subscribing, participating, investing in and holding, whether its own account or on behalf of any person, body corporate, company, society, firm or association of persons whether incorporated or not, shares, stocks, debentures, debenture-stocks, units, promissory notes, bill of exchange, bonds warrants, participation certificates or participation units, other money market or capital market instruments, obligations and securities issued or guaranteed by any government, state, dominion, sovereign body, commission, public body or authority, supreme, local or municipal or company or body, whether incorporated or not or by any person or association;
- (ii) Acquiring such shares, stocks, debentures, debenture-stocks, units, promissory notes, bills of exchange, bonds, warrants, participation certificates or participation units, other money market or capital market instruments, obligations and securities by original subscribing to or acquiring the same either conditionally or otherwise, and guaranteeing the subscription thereof for a commission or otherwise and exercising and enforcing all rights and powers conferred by or incidental to the ownership thereof;
- (iii) Appointing a trust to hold shares and/or securities on behalf of and to protect the interests of the Company.
9. (i) Standing as guarantors and being surety to the debts or defaults of any person, firm or company arising from contracts for payment or repayment of moneys or loans or the fulfilment of any obligations or guaranteeing monetary or fidelity obligations, and entering into contracts of indemnity or guarantee on such terms and conditions as may seem necessary or expedient for effecting the same.
- (ii) Carrying on the transacting business of giving guarantees and counter-guarantees for the performance of any contract or obligation or any company, firm or person and, in particular, guaranteeing the payment of principal moneys, interest or other moneys secured by or payable on stocks, debentures, bonds, debenture-stocks, mortgages, lands, charges, contracts, obligations and securities issued by any company, corporation, firm, or persons, including (without prejudice to the generally) bank overdraft, bills of exchange and promissory notes and payment of dividends on the repayment of the capital moneys and principal, interest or premium payable on any stocks, shares and securities.
10. Borrowing or raising moneys or loans for the purpose of the Company under contracts or by promissory notes, bills of exchange, hundies and other negotiable or transferable instruments or by mortgage, charge, hypothecation or pledge, or by issue of bonds, debentures or debenture stocks, whether convertible or not, and whether secured or unsecured, both present and future, movable and immovable including its uncalled capital, taking money on deposit or otherwise for the purpose of the Company executing all deeds, writings and assurances for any of the aforesaid purposes.
11. Placing deposits, keeping money with security or otherwise either for or without interest with any person, company, bank, financial and other institution, trust, corporation, local authority, government, co-operative society, HUF or other body (whether incorporated or not).
12. Opening, maintaining, operating and closing account or accounts, with any firm or company or with banks of financial institutions or other financiers and paying or earning interest and withdrawing money from such account or accounts and making, drawing, co-accepting, endorsing, executing, discounting or negotiating and issuing cheques, promissory notes, hundies, bills of exchange, bills of lading, railway receipts, warrants, debentures and other negotiable or transferable instruments.
13. Acquiring by purchasing, exchanging, taking on lease or otherwise, any promise for construction and/or establishment of the safe deposit vault or vaults for facilitating custodial depository security services and maintaining therein fireproof and burglar-proof strongrooms, safe-deposit lockers and other receptacles for safe custody of deeds, securities, documents, money, jewellery and other valuables of all kinds, and managing such safe-deposit vault or vaults for the purposes of

storage, gratuitously or otherwise letting on hire and otherwise disposing of safes, strongrooms and other receptacles for safe keeping of valuable property of all kinds.

14. Applying for and acquiring membership of one or more of any trade association, commodity exchange, clearing-house, society, company, management association, or any other association, professional body, including stock/security exchange and Over the Counter Exchange of India, depository trust company whether in India or outside India to secure membership privilege therefrom or membership of which will or is likely in any way to facilitate the conduct of the Company's business.
15. Carrying out in India or any part of the world all or any part of the Company's objects as principal, agent, underwriter or otherwise, either alone or in conjunction with any other person, firm, association, corporate body, state or government.
16. Adopting such means of making known the services and business of the Company as may seem expedient and, in particular, by exhibiting at the promoting exhibitions, advertising in the press, radio or television, by circular, by exhibition or works of art or interest, by publication of books and periodicals and by granting prizes, awards and donations.
17. (i) Accepting donations and gifts with such conditions, restrictions, obligations, stipulations and liabilities as are not derogative to the provisions of the law;  
(ii) Making donations either in cash or in kind for such objects or causes as may be directly or indirectly conducive to any of the Company's objects or otherwise expedient.
18. Establishing, holding or conducting competitions in respect of contribution of information suitable for insertion in any publications of the Company or otherwise for any of the purposes of the Company and offering and granting prizes, rewards and premiums of such character and on such terms as may be expedient.
19. Indemnifying officers, Directors and servants of the Company against proceedings, costs, damages, claims and demands in respect of anything done, or ordered to be done, for and in the interests of the Company or for loss or damage or misfortune whatsoever which occurs in execution of the duties of their office or in relation thereto.
20. Entering into partnership or into any arrangement for joint ventures in business or for sharing profits, union of interest, reciprocal concession or co-operate with any person, firm or company, or amalgamating with any person, firm or company carrying on or proposing to carry on any business.
21. Applying for, purchasing or otherwise acquiring, protecting and renewing in India or elsewhere, patents, licences, lease concessions, patent rights, trade marks, designs, conferring any exclusive or non-exclusive or limited right to their use of any secret or other information regarding any invention or research which may seem capable of being used for any purpose of the Company or the acquisition of which may directly or indirectly benefit the Company and using, developing or granting licence in respect thereof or otherwise turning to account the rights or information as acquired and expending money in improving such patents, rights or inventions.
22. Creating any depreciation fund, reserve fund, sinking fund, Insurance fund or any special or other fund, whether for repayment or redeemable preference shares, redemption of debentures of debenture stock, for dividends, for equalizing dividends, or for repairing, improving, extending and maintaining any part of the property of the Company or for any other purpose.
23. Distributing any of the Company's property among the members of the Company in the event of winding up subject to the provisions of the Companies Act.
24. Taking or holding mortgages, liens, charges to secure payment of the purchase price, or any unpaid balance of the purchase price, of any part of the company's property of any kind sold by the Company, or any money due to the Company from the buyer.
25. (i) Paying out of the funds of the Company all or any expense which the Company may lawfully pay for services rendered for formation and registration of the Company and for promotion of any other company by it or which the Company shall consider to be preliminary subject to the provisions of the Companies Act;  
(ii) Remunerating any person, firm or body corporate for rendering services to the Company either by cash payment or by allotment to him or them of shares of securities of the Company as paid-up in full or in part or otherwise.
26. Insuring any of the properties, undertakings, contracts, risk or obligations of the Company in any manner whatsoever.
27. Doing all or any of the activities set out as objects herein and all such things as are incidental or as may be thought conducive to the attainment of the objects of the Company or any of them in India or elsewhere either as principals, agents, trustees, contractors or otherwise and either along with or in conjunction with others and either by or through agents, contractors, trustees or otherwise and to carry on business which may seem to the Company capable of being conveniently carried on or which is calculated directly or indirectly to enhance the value of or render profitable any of the

Company's property or right.

28. Acquire and undertake the whole or any part of the goodwill, business, concern, undertaking, property, rights, assets and liabilities of any person, firm, associations, society, company or corporation carrying on any business which the Company is authorized to carry on or possessed of property suitable for the purpose of the company and to pay for the same by shares or debentures of his Company, or by cash or otherwise, or partly, in one way and partly in another or others, and to conduct, expand and develop or wind-up and liquidate such business and to purchase and take steps for the acquisition of existing and new licenses in connection with any such business.
29. Form, establish, promote, subsidise, aid, acquire, organise, or be interested in any other company or companies, syndicate or partnership for the purpose of acquiring all or any of the undertaking, property and liabilities of the Company or of any share therein by way of exchange for its shares or otherwise or for any purpose which may seem calculated directly or indirectly to benefit the Company.
30. Entering into partnership or into any agreement for sharing profits, union of interest, co-operation, joint ventures, reciprocal concession, license or otherwise, with any person, firm, association, society, company or corporation carrying on or engaged in or about to carry on or engaged in, by business or transaction which the Company is authorised to carry on or engaged in or any business or transaction capable of being conducted so as directly or indirectly to benefit the Company and to give any person, firm, or company, special rights, licenses and privileges in connection with the above.
31. Take or otherwise acquire and hold, sell, exchange, mortgage, charge or otherwise deal with shares or stock of any other Company having objects altogether or in part similar to those of the Company or otherwise as may be likely either directly or indirectly to benefit the Company.
32. Amalgamate with any other Company having objects altogether or in part similar to those of the Company or otherwise.

### **C. OTHER OBJECTS:**

1. Carrying on an undertaking or otherwise arranging for
  - (i) business of normal and swift printing of circulars, notices, annual reports, brochures, letters of offer/prospectus, statements, analysis and project reports, periodical leaflets, journals, magazines and block bringing, silkscreen printing, multicoloured offset printing and other ancillary materials, articles and things such as offset or online printing of accounts books, continuous stationery, files, printing and writing ink etc.;
  - (ii) mailing and/or forwarding any printed material;
  - (iii) providing for and supplying franking machines and all postal and speedy delivery and courier facilities and electronic mail (E-mail) within India and abroad;
  - (iv) manufacturing or otherwise dealing in stationery, equipments and related goods required for any of the activities or objects which the Company is authorized to carry on or pursue.
2. To own, buy, sell, possess, develop, construct, demolish, rebuild, renovate, divide, subdivide, repair, maintain, let out, hire, rent, lease, pledge, mortgage or otherwise deal in land, building, apartments and other immovable properties and to promote industrial estates, formation of co-operative housing societies, Companies, trusts or other associations and to provide accommodation for residence and business of all types or for any other purpose.
3. To acquire by purchase, lease, exchange, development, construction, building, erection, or to demolish, re-erect, alter, repair, re-model or otherwise deal in and make advances on the security of and deal in land, buildings, estates, hereditaments, roads, highways, docks, bridges, canals, dams, ports, reservoirs, or any other structural or architectural work of any kind whatsoever and for such purpose to prepare, estimates, designs, plans, specifications or models and to do such other or any act that may be requisite thereof, and to otherwise deal in offices, flats, houses, bungalows, chests, factories, godowns, warehouses, shops, cinema theatres, and other conveniences of all kind and properties of all kinds and description, and to act as town-planners, surveyors, valuers, appraisers, decorators, furnishers, furniture makers, merchants, dealers in cement, steel, iron, fuel, coke, wood, timber and other building requisites and to manufacture requisites for above and prefabricated houses, apartments and structures etc.
4. To undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers or for organizing lectures, conference, workshops, training programmes, for giving merit awards, scholarships, loans or any other assistance to institutes, deserving students for academic pursuits or researchers and for establishing, conducting, assisting any institutions, funds and trusts.
5. To carry on business of recruiting agents, personnel selection, personnel advisers, consultants or agents.
6. To enter into agreement, contract or undertake or otherwise arrange for receiving, mailing or forwarding any circulars, notices, reports, brochures, materials, articles and things belonging to any other company or person or persons by means

of delivery by hand or otherwise.

7. To purchase or otherwise acquire any interests in any invention, processes, letters, patents, brand inventions, licences, concessions, rights and privileges, subject to royalty or otherwise and whether exclusive or limited, whether in India or in any other part of the world for the purpose of the Company.
- IV. The liability of the Members is limited.
- V. The authorised capital of the Company is ₹3,155 Crores (Rupees Three Thousand One Hundred Fifty Five Crores only) divided into 220 Crore (Two Hundred Twenty Crore) equity shares of ₹10/- each, 20 Crore (Twenty Crore) preference shares of ₹5/- each (called Class A Preference Shares), 150 Crore (One Hundred Fifty Crore) preference shares of ₹ 5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹1/- each (called Class C Preference Shares), with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being, with power to increase and reduce the capital of the Company and to consolidate or sub-divide the shares in the capital for the time being into several classes and to attach thereto, respectively, such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify to abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 or provided by the Articles of Association of the Company for the time being.

(Above Amendment made pursuant to the resolution passed by the members of the Company by means of Postal Ballot, the result of which was declared on May 13, 2016)

(Before Amendment:” The authorised capital of the Company is ₹2955 Crores (Rupees Two Thousand Nine Hundred Fifty Five Crores only) divided into 200 Crore (Two Hundred Crore) equity shares of ₹10/- each, 20 Crore (Twenty Crore) preference shares of ₹5/- each (called Class A Preference Shares), 150 Crore (One Hundred Fifty Crore) preference shares of ₹ 5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹1/- each (called Class C Preference Shares), with the rights.....”)

(Above Amendment made pursuant to the resolution passed by the members of the Company by means of Postal Ballot, the result of which was declared by the Chairman on March 18, 2016).

(Before Amendment:” The authorised capital of the Company was “₹1200,00,00,000 (Rupees One Thousand Two Hundred Crore only) divided into 110,00,00,000 (One Hundred and Ten Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being, with power to increase and reduce the capital of the Company and to consolidate or sub-divide the shares in the capital for the time being into several classes and to attach thereto, respectively, such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify to abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956, or provided by the Articles of Association of the Company for the time being.

(Above Amendment made pursuant to the resolution passed by the members of the Company by means of Postal Ballot, the result of which was declared by the Chairman on May 31, 2012).

(Before Amendment:” The authorised capital of the Company was “₹550,00,00,000 (Rupees Five Hundred and Fifty Crores only) divided into 45,00,00,000 (Forty Five Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each ....” )

(Amendment made pursuant to the resolution passed by the members of the Company by means of Postal Ballot, the result of which was declared by the Chairman on January 30, 2012).

(Before Amendment:” The authorised capital of the Company was ₹4,000,000,000 (Rupees Four billion only) divided into 300,000,000 (Three hundred million) equity shares of ₹10/- each and 200,000,000 (Two hundred million) preference shares of ₹5/- each....” )

We, the several persons whose names and addresses are subscribed, 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.

Sr. no.	Name of Subscriber and Signature	Address & Occupation	No. of Shares taken by each Subscriber	Witness
1.	Narayanan Vaghul S/o V. Narayanan Sd/- Chairman, ICICI	1301, Radhika Off Sayani Road, Prabhadevi, Mumbai 400025 Banker	100 (One Hundred)	Nilesh Trivedi C/o, ICICI Ltd. 163, Backbay Reclamation, Mumbai 400020 Occupation: Service
2.	Bhupendranath Bhargava S/o. Vidyanath Bhargava Sd/- Vice Chairman & Managing Director, ICICI	1201, Radhika, Off Sayani Road, Prabhadevi, Mumbai 400025 Business Executive	100 (One Hundred)	
3.	Doveton Jagannathrao  S/o. Doveton Balaji Rao  Jagannathrao  Sd/-  Executive Director ICICI	A-61, Ocean Gold,  Twin tower Lane,  Prabhadevi,  Mumbai 400025  Company Executive	100  (One Hundred)	
4.	Girish Sumanlal Mehta S/o. Sumanlal Mehta Sd/- General Manager ICICI	A-6, ICICI Apts., P. Balu Marg, Prabhadevi, Mumbai 400025 Company Executive	100 (One Hundred)	
5.	Lalita Dileep Gupte W/o Dileep Gupte Sd/- General Manager ICICI	153, C. Mhaskar Building, Opp. Ruia Building, Sir Balachander Rd., Matunga, Mumbai 400019 Banker	100 (One Hundred)	
6.	Shashikant Harilal Bhojani S/o Harilal Bhojani Sd/- Corporate Legal Advisor, ICICI	A-73, Ocean Gold, Twin Tower Lane, Prabhadevi, Mumbai 400025 Company Executive	100 (One Hundred)	
7.	Pervin Cawas Karai W/o. Cawas Karai Sd/- Assistant General Manager, ICICI	B-16, ICICI Apts., P. Balu Marg, Prabhadevi, Mumbai 400025 Company Officer	100 (One Hundred)	
			700 (Seven hundred Equity Shares)	

Dated this 16th day of September, 1993

**ARTICLES OF ASSOCIATION**  
**3i INFOTECH LIMITED**  
**TABLE A EXCLUDED**

1. The regulations contained in the Table marked A in the First Schedule of the Companies Act, 1956, shall not apply to the Company except insofar as the same are repeated, contained or expressly made applicable in these presents or by the Act. Table A not to apply (except as expressly provided in these presents.)
2. The regulations for the management of the Company and for the observance of the members thereof as their representatives shall, subject as aforesaid and to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its regulations by Special Resolution, as prescribed or permitted by the Companies Act, be such as contained in these presents. Company to be governed by these Articles.
3. **INTERPRETATION**
- In this Articles, unless there be something in the subject or context inconsistent therewith:  
 "The Company" means 3i Infotech Limited (formerly known as ICICI Infotech Limited).  
 "The Act" or "the said Act" means "the Companies Act, 1956" and includes any statutory modification or re-enactment thereof for the time being in force in India. "Interpretation" clause  
 "Beneficial Owner" means a person whose name is recorded as such with a Depository.  
 "Board", "Board of Directors" or "The Directors" means the Board of Directors of the company. "The Company"  
 "Depository" means a Depository as defined under the Depositories Act. "The Act" or "the said Act"  
 "Depositories Act" means Depositories Act, 1996 and shall include any statutory modification thereto or re-enactment thereof. "Beneficial Owner"  
 "Member" means a person as defined by Section 41 of the Act. "Board", Board of Directors" "the Directors"  
 "Month" means calendar month. "Depository"  
 "The Office" means the Registered Office, for the time being, of the Company. "Depositories Act"  
 "The Register and index of Members and Debenture holders" means the register and index of members and debenture holders maintained by the Company under the Act and shall include the register of beneficial owners of shares and debentures maintained by a Depository." "Member"  
 "These presents" means these Articles of Association as originally framed or as altered from time to time. "Month"  
 "The Seal" means the common Seal, for the time being, of the Company. "The Office"  
 "Writing" or "written" shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form. "The Register and index of Members and Debenture holders"  
 Words importing the singular number only shall, where the context admits or requires, include the plural number and vice versa. "These presents"  
 Words importing the masculine gender only shall include the feminine gender "The Seal"  
 Words importing persons shall include corporations, the Central and State government, firms, individuals, trusts, societies, associations and other bodies whether incorporated or not. "Writing" or "written"  
 Subject as aforesaid, any word or expressible defined in the Act shall, except where it is repugnant to the subject or context hereof, bear the same meaning in these presents. Singular number Gender Persons Expressions in the Act to bear the same meaning in Articles  
 The marginal notes hereto shall not affect the construction hereof. Marginal notes
4. Copies of the Memorandum and Articles of Association of the Company, and every Agreement and every Resolution (referred to in Section 192 of the Act) shall be furnished to every Member at his request within the period and on payment of such sum as may be prescribed by the Act.

**CAPITAL**

5. The authorized capital of the Company is "₹3,155 Crores ((Rupees Three Thousand One Hundred Fifty Five Crores only) divided into 220 Crore (Two Hundred Twenty Crore) equity shares of ₹10/- each, 20 Crore (Twenty Crore) preference shares of ₹5/- each (called Class A Preference Shares), 150 Crore (One Hundred Fifty Crore) preference shares of ₹5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹1/- each (called Class C Preference Shares). Capital
- (Amendment made pursuant to the resolution passed by the members of the Company by means of Postal Ballot, the result of which was declared on May 13, 2016).
- (Before: The authorised capital of the Company was "₹2,955 Crores (Rupees Two Thousand Nine Hundred Fifty Five Crore only) divided into 200 Crore (Two Hundred Crore) equity shares of ₹10/- each, 20 Crore (Twenty Crore) preference shares of ₹5/- each (called Class A Preference Shares), 150 Crore (One Hundred Fifty Crore) preference shares of ₹5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹1/- each (called Class C Preference Shares).
6. (a) The Company shall cause to be kept a Register of Members, an Index of Members, a Register of Debenture Holders and an Index of Debenture Holders in accordance with Section 150, 151, and 152 of the Act.  
 (b) The Directors shall, subject to the provisions of Section 154 of the Act, have power to

close the Register of Members or the Register of Debenture Holders of the Company.

7. The Company may exercise the powers conferred on it by Section 157 of the Act with regard to the keeping of a Foreign Register, and the Board may, subject to the provisions of Section 158 of the Act, make and vary such regulations as it may think fit in respect of maintaining such a Register.
8. a) The Register of Members, the Index of Members, the Register and Index of Debenture holders and copies of all annual returns prepared under Section 159 of the Act, together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act, shall, except when the Register of Members or Debenture holders is closed under the provisions of the Act or these presents, be kept open to inspection at the office of the Company on any working day between 11.00 am and 1.00 pm or such other time as may be determined from time to time for any Member or Debenture holder gratis and for inspection of any other person on payment of such sum as the Central Government may prescribe from time to time for each inspection. Any such Member or person may take extracts therefrom;
- b) The Company shall sent to any Member, Debenture holder or other person, on request, a copy of the Register of Members, the Index of Members, the Register and Index of Debenture holders or any part thereof required under the Act, on payment of such sum as may be prescribed by the Act. The copy shall be sent within the period prescribed by the Act.
9. In accordance with the provision of the Act:
- a) The shares or other interest of any Member in the Company shall be movable property, transferable in the manner provided hereunder:
- b) Each share in the Company shall be distinguished by its appropriate number.
- c) A certificate under the Common Seal of the Company specifying shares held by any Member shall be prima facie evidence of the title of the Member of such shares.
- Nothing contained in this Article shall apply to the shares of the Company dealt with in a Depository.
10. The Directors shall observe the restrictions as to allotment contained in Sections 69 and 70 of the Act.
11. Subject to the provisions of Section 81 and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such a persons, in such proportion and on such terms and conditions and either at premium or at a par or (subject to the compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit.
12. The Directors may issue and allot shares in the capital of the Company as payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that the options or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General meeting.
13. Unclassified shares, for the time being, forming part of the capital of the Company may, subject to the provisions of the Act and these presents, be issued and in particular such shares may be issued with a preferential or qualified right as to dividends and in the distribution of the assets of the Company.
14. In addition to and without derogating from the powers for this purpose conferred on the Directors under Article II, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Member or Debenture holder of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par or, subject to compliance with the provisions of Section 79 of the Act, at a discount, as such General Meeting may determine and with full power to give to any person (whether a Member or Debenture holder of the Company or not) the option to subscribe for or be allotted shares of any class of the Company either at par or at a premium or subject as aforesaid at discount, such option being exercisable at such time and for such

consideration as may be directed by such General Meeting or the Company in General Meeting, may, subject to the provisions of Section 81 of Act, make any other provision whatsoever for the issue, allotment or disposal of shares.

15. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these presents, and every person who thus or otherwise accepts any shares and whose name is on the register shall, for the purpose of these presents, be a Member. Acceptance of shares
16. The money (if any) which the Directors shall, on the allotment of shares being made by them require or direct to be paid by way of deposit, call or otherwise, in respect of shares allotted by them, shall, immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly. Deposit and calls etc. to be a debt payable immediately
17. If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid up to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or by his legal representatives. Installments on shares
18. Where calls for further share capital are made on shares, such calls shall be made on a uniform basis on all share falling under the same class. For the purposes of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class. Calls on shares of the same class to be on uniform basis
19. 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 as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. Company not bound to recognize any interest in shares other than that of the registered holders
20. Except to the extent allowed by Section 77 of the Act, no part of the funds of the Company shall be employed in the purchase of or lent on the security of the shares of the Company. Company's funds may not be applied in purchase of or lent on shares of the Company  

Provided that the shares of the Company may be bought back after complying with the provisions of sections 77A, 77AA and 77B of the Act.

#### **UNDERWRITING COMMISSION**

21. The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for shares, debentures or other securities of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, debentures or debenture stock of the Company but so that if the commission in respect of shares shall be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed the rates prescribed under the Act. The commission may be paid or satisfied in cash or in shares or debentures or debenture stock of the Company or partly in one and partly in the other. The Company may also, on issue of shares, debentures or debenture stock pay such brokerage as may be permitted under any of the applicable laws. Commission for placing shares

#### **CERTIFICATE**

22. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination, registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine), to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions for issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the Directors may prescribe or approve, provided that in respect of 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 of shares to one of several joint holders shall be sufficient delivery to all such holders. Issue of certificates

Provided that notwithstanding anything contained in the Act or in these Articles, where the securities of the Company are dealt with in a Depository, the Company shall intimate the details of allotment of the relevant securities to the Depository on allotment of such securities. Provided further that where a person subscribing to securities offered by the Company opts to hold such securities with the Depository instead of receiving the certificate for them, the Company shall intimate such Depository the details of allotment of the securities.

Delivery of share/  
debenture certificate or  
time for issue of certificates

23. a) A certificate may be renewed or a duplicate of a certificate may be issued if such certificate:
- i. is proved to have been lost or destroyed; or
  - ii. having been defaced or mutilated or torn, is surrendered to the Company; or
  - iii. has exhausted the space on the reverse thereof for endorsement of transfer.
- b) The manner of issue or renewal of a certificate or issue of a duplicate thereof, the form of a certificate (original or renewed) or of a duplicate thereof, the particulars to be entered in the Register of Members or in the Register of renewed or duplicate certificates, the form of such Registers, the fee on payment of which, the terms and conditions, if any, including terms and conditions as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence, on which a certificate may be renewed or a duplicate thereof may be issued, shall be such as prescribed by the Companies (Issue of Share Certificates) Rules, 1960 or any other Rules in substitution or modification thereof.

Every certificate under this Article shall be issued without payment of fees, if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulations or requirements of any stock exchange or rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

Fractional certificates

24. a) If, and whenever, as a result of issue of new shares, the consolidation or sub-division of shares, any Member becomes entitled to any fractional part of a share, the Directors may, subject to the provision of the Act and these presents and to the directions, if any, of the Company in General Meeting;
- i. issue to such Member a fractional certificate or certificates representing such fractional part. Such fractional certificate or certificates shall not be registered, nor shall they bear any dividend until exchange with other fractional certificates for an entire share. The Directors may, however, fix the time within which such fractional certificates are to be exchanged for an entire share and may extend such time and at the expiry of such time, any fractional certificates shall be deemed to be cancelled and the Directors shall sell the shares represented by such cancelled fractional certificate for the best price reasonably obtainable; or
  - ii. sell the share represented by all such fractional parts for the best price reasonably obtainable;

Issue of new certificates in  
place of one defaced, lost  
or destroyed.

- b) In the event of any share being sold, in pursuance of sub-article (a) (ii) above, the Directors shall pay and distribute to and amongst the persons entitled, in due proportion, the net sale proceeds thereof;
- c) For the purpose of giving effect to any such sale, the Director may authorize any person to transfer the share sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.

Company to recognise  
interest in dematerialised  
securities under the  
Depositories Act

- 24 A. Dematerialisation of securities:  
Either the Company or the member /investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised pursuant to the Depositories Act in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto, shall be governed by the provisions of the Depositories Act.

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities, rematerialise its securities held in the Depositories and/or offer its fresh securities in a dematerialised form pursuant to the Depositories Act, and the rules framed thereunder, if any. Dematerialisation of Securities

- a) Notwithstanding anything to the contrary contained in any other law or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner. Rights of Depositories and Beneficial Owners
- b) Save as otherwise provided in (a) above, and notwithstanding anything contained in these Articles, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.
- c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of a Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a depository participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities. Cancellation of certificates upon surrender by a person

If a beneficial owner seeks to opt out of a Depository in respect of any security, then the Company shall, in the manner and time prescribed in this behalf, issue the certificate of securities to the beneficial owner or the transferee as the case may be. Option to opt out in respect of any security

For the purpose of this Article and other Articles having reference to Depository or dematerialisation, security shall mean such security as may be specified by the Securities and Exchange Board of India for the purposes of the Depositories Act. Security

### CALLS

25. The Director may, from time to time, make such calls as they think fit upon the Members in respect of all moneys remaining unpaid on the shares held by them, respectively, and not by the conditions of allotment thereof made payable at fixed times, and each Member shall pay the amount of every call so made on him to the person and at the times and places appointed by the Directors. A call may be made payable by installments. Calls
26. A call shall be deemed to have been made at the time when the Resolution of the Directors authorizing such call was passed and may be made payable by Members on the Register of Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors. Call to date from Resolution
27. Not less than 14 days' notice of every call shall be given specifying the time of payment provided that before the time for payment of such call the Directors may by notice in writing to the Members revoke the same. Notice of call
28. The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call by the Members as the Directors may deem fit, but no Member shall be entitled to such extension save as a matter of grace and favour. Directors may extend time
29. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installment at fixed times, whether on account of the amount of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly. Amount payable at fixed time or by installments as Calls
30. If the sum payable in respect of any call or installment is not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made or the installment shall be due shall pay interest on the same at such rate as the Directors shall fix, from time to time, from the day appointed for the payment thereof to the time to actual payment, but the Directors may, in their absolute discretion, waive payment of such interest wholly or in part. When interest on call or installment payable
31. Neither a judgment nor a decree in favour of the company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time, be due from any Member in respect of shares either by way of principal or interest nor any indulgence granted by the Partial payment not to preclude forfeiture

Company in respect of payment of any money shall preclude the forfeiture of such shares as herein provided.

Payment in anticipation of calls may carry interest. 32. The Directors may if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate to the member paying such sum and the Directors agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

#### FORFEITURE, SURRENDER AND LIEN

If call or installment not paid, notice must be given 33. If any Member fails to pay the whole or any part of any call or installment or any money due in respect of shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter during such time as the call or installment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the share by transmission requiring him to pay such call or installment of such part thereof or other moneys as remained unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such nonpayment.

Form of notice 34. The notice shall name a day not being less than 14 days from the date of the notice and the place or places on and at which such call or installment or such part or other moneys and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of nonpayment on or before the time and the place fixed in this behalf or decided, the share in respect of which the call was made or installment is payable will be liable to be forfeited.

In default of payment, shares may be forfeited. 35. If the requisitions of any such notice as aforesaid are not complied with, any of the shares in respect of which such notice has been given may, at any time, thereafter (before payment of all calls or installments, interest and expenses or the moneys due in respect thereof), be forfeited by a Resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Entry of forfeiture in Register of Members 36. When any share shall have been so forfeited, an entry of the forfeiture with the date thereof shall be made in the Register of Members.

Forfeited shares to be property of the Company and may be sold etc. 37. Any share so forfeited shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Directors shall think fit.

Power to annul forfeiture 38. The Directors may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

Effect of forfeiture 39. The forfeiture of share shall involve the extinction at the time of forfeiture, of all interest in all claims and demand against the Company in respect of the shares and all other rights incidental to the share, except for such of those rights as by these presents are expressly saved.

Shareholder still liable to pay money owing at time of forfeiture and interest 40. Any Member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installment, interest expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture together with further interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof, if they think fit but shall not be under any obligation to do so.

Company's lien on shares 41. The Company shall have no lien on its fully paid shares. In the case of partly paid-up shares, the Company shall have a first and paramount lien only for all moneys called or payable at a fixed time in respect of such shares. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

As to enforcing lien by sale 42. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made unless some sum in respect of which

the lien exists is (presently) payable nor until notice in writing of the intention to sell shall have been served on such Member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment of the sum presently payable for seven days after such notice.

43. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable and the residue (if any) paid to the Member or the person (if any) entitled by transmission to the shares so sold. Application of proceeds of sale.
44. A certificate in writing under the hand of any Director or the Secretary or such other person as may be authorized from time to time that the call in respect of a share was made, and that the forfeiture of the share was made by a Resolution of the Directors was made to that effect, shall be conclusive evidence of the fact stated therein as against all persons entitled to such share. Certificate of forfeiture
45. (a) The Company may receive the consideration, if any, given for the share on any sale, reallocation or other disposition thereof and the person to whom such shares is sold, reallocated or disposed of may be registered as the holder of the share and shall not be bound to see to the application of the consideration, 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, re-allotment or other disposal of the share. Title of purchaser and allottee of forfeited share
- (b) Upon sale, re-allotment or other disposal of shares under the provisions of these presents, the certificate or certificates originally issued in respect of the relative share(s) shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled automatically and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of such share(s) to the person/s entitled thereto. Cancellation of share certificate in respect of forfeited shares
- (c) The provisions of the Articles as to the forfeiture shall apply in the case of nonpayment of any sum which by terms of issue of share/s become payable at a fixed time, as if the same had been payable by virtue of a call duly made or notified. Application of forfeiture provisions
46. The Directors may, subject to the provisions of the Act, accept a surrender of any share from any Member desirous of surrendering the shares on such terms as the Directors may deem fit. Surrender of shares

## TRANSFER AND TRANSMISSION OF SHARES

47. The Company shall keep a book to be called the Register of Transfers and therein shall fairly and distinctly enter the particulars of every transfer of transmission of any share. Provided that nothing contained in this Article shall apply to transfer of shares effected by the transferor and the transferee both of whom are beneficial owners in the records of a Depository. Register of Transfers
48. The Company shall not register a transfer of shares or debenture of the Company, unless a proper instrument of transfer, in accordance with the prescribed form, if any, duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate relating to the shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures. Transfer not to be registered except on production of instrument of transfer
- Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity or otherwise as the Board may think fit.
- Provided further that nothing in this Article shall prejudice any power of the Company to register as Member or Debenture Holder any person to whom the right to any shares in, or debentures of the Company has been transmitted by operation of law.
- Provided that nothing contained in this Article shall apply to transfer of shares effected by the transferor and the transferee both of whom are beneficial owners in the records of a Depository.
49. A transfer of the shares or other interest in the Company of a deceased Member thereof made by this legal representative shall, although the legal representative is not himself a Member, be as valid as if he had been a Member at the time of the execution of the instrument of transfer. Transfer by legal representative

Company's power to refuse transfer	50. Nothing in these presents shall prejudice the powers of the Company to refuse to register the transfer of any shares.
	51. The Board may, in its absolute discretion, refuse applications for the subdivision of share certificates, debenture or bond certificates into denominations of less than the marketable lot except when such subdivision is required to be made to comply with a statutory provision or an order of a competent court of law.
Transferor liable until the transferee entered on register	52. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.
Directors may refuse to register transfer	53. (a) Notwithstanding anything contained in Articles 46, 47 and 48 and subject to the provisions of Section 111 of the Act and subject to the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules and Regulations made thereunder and other applicable laws, the Directors may, at their absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares and shall not be bound to give any reason for such refusal and, in particular, may so decline in respect of the shares upon which the Company has a lien or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid and such refusal shall not be affected by the fact that the proposed transferee is already a Member. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
	<p>When the transferee is already a member of the Company and transfer is refused, the Director shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of refusal to register such transfer. Transfer of shares/debentures in whatever lot shall not be refused.</p>
	(b) Without prejudice to the foregoing provisions and without limiting in any manner the generality of the above provisions, the Board of Directors of the Company may, at their absolute and uncontrolled discretion, refuse to register the transfer of any shares or other securities of the Company, being shares or debentures issued by the Company, in favour of any transferee whether individual, firm, group, constituent of a group, body corporate or bodies corporate under the same management or otherwise and whether in his or its own name or in the name of any other person if the total nominal value of any shares or other securities intended to be so transferred, exceeds, or together with the total nominal value of any shares or other securities already held in the Company by such individual firm, group, constituent of a group, body corporate or bodies corporate under the same management or otherwise will exceed 1 per cent of the paid up equity share capital of the Company or if the Board of Directors or change in the controlling interest of the Company is likely to take place and that such change would be prejudicial to the interest of the Company or to the public interest. For the purpose of the Article, the Board of Directors of the Company shall be entitled. Inter alia, to rely upon this Article to form its own opinion as to whether such registration of transfer of any of its shares or other securities 1 per cent of the paid up equity share capital of the Company should be refused or not.
	(c) Notwithstanding anything to the contrary, the restrictive provisions contained in the preceding subclause (b) shall not apply to the transfer of any shares or other securities made to and representing the own investment of any of the following:
	<ul style="list-style-type: none"> <li>(i) Public financial institutions within the meaning of Section 4A of the Act;</li> <li>(ii) Public sector banks;</li> <li>(iii) Multilateral agencies, foreign banks and lending institutions;</li> <li>(iv) Public sector mutual funds being mutual funds sponsored, promoted or managed by a public financial institution or a public sector bank.</li> </ul>
Transfer to minor etc.	54. No transfer shall be made to person who is of unsound mind. Subject to the provisions of the Act, the Directors may, at their absolute discretion, approve a minor becoming a Member of the Company through the minor's legal/natural guardian on such terms and the Directors may stipulate.
Custody of transfer	55. The instrument of transfer of shares/debentures shall after registration, be retained by the Company and shall remain in its custody. All the instruments of transfer of shares/debentures which the Directors may decline to register shall be refunded to the persons depositing the same. The Directors may however, cause to be destroyed all transfer deeds lying with the Company after such period not being less than five years from the date of approval of instruments of transfer.
Closure of transfer Books	56. The Directors shall have power on giving notice by advertisement of such period and in such

manner as may be prescribed to close the Transfer Books of the Company for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time as to them may seem fit.

57. The executors or administrators of a deceased Member or a holder of a Succession Certificate or other legal representations in respect of shares of a deceased Member where he was a sole or only surviving holder shall be the only person whom the Company will be bound to recognize as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognize such executors, administrators or holder unless such executors or administrators shall have first obtained Probate or Letters of Administration or such holder is the holder of a Succession Certificate or other legal representation as the case may be, from a duly constituted Court in India, provided that in any case where the Directors in their absolute discretion think fit the Directors may dispense with production of Probate or Letters of Administration or Succession Certificate or other legal representation and under the next Article, register the name of any person who claims to be absolutely entitled to the share standing in the name of a deceased Member as a Member.

Title to share of deceased holder

Provided further that in case of nomination made by a holder or all joint holders of shares in the manner prescribed under the Act, then the Company shall notwithstanding anything contained in these Articles, recognise such nominee on the death of such holder or all such joint holders notwithstanding anything contained in any other law or in any disposition, testamentary or otherwise.

58. Any person becoming entitled to any shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or his title as the Directors shall require either be registered as a Member in respect of such shares or may subject to the regulations as to transfer in these presents contained transfer such shares to some other person. This Article is in these presents referred to as the "Transmission Clause".

Registration of person entitled to shares otherwise than by transfer

59. The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration. The Directors shall, within two months from the date on which intimation of such transmission was delivered to the Company, send notice of the refusal to the persons giving intimation of such transmission giving reasons for such refusal.

Refusal to register nominee

60. Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any transmission until the same be so verified or until and unless an indemnity be given to the Company with regard to such registration which the Directors at their absolute discretion, shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

61. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

Fee on transfer or transmission

62. The Company shall incur no liability or responsibility whatsoever in consequences of their registering or giving effect to any transfer of shares made or purporting to be made by the apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given by them of any equitable right, title or interest or be under liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall, nevertheless, be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

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

### CONVERSION OF SHARES INTO STOCK

63. The Company may, by ordinary resolution -  
(a) convert any paid-up shares into stock; and  
(b) re-convert any stock into paid-up shares of any denomination.
64. (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 share from which the stock arose might, before the conversion have been transferred or as near thereto as circumstances

Right of stock holders

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 meeting of the Company, and other matters, as if they held the shares from which the stock arose; but no such privileges 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.
65. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares, shall apply to stock and the words, "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.

#### **INCREASE, REDUCTION AND ALTERATION OF CAPITAL**

- Increase of capital 66. The Company may, from time to time, in General Meeting increase its share capital by the creation of new shares of such amount as it thinks expedient.
- Conditions on which new shares may be issued 67. The new shares (except such of them as shall be unclassified shares) shall, subject to the provisions of the Act and these presents, be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall direct and, if no direction be given, as the Directors shall determine and, in particular, such shares may be issued with a preferential or qualified right to dividends and in distribution of assets of the Company, preference shares so issued shall be redeemable within such period as may be prescribed.
- Further issue of capital 68. The new shares (resulting from an increase of capital as aforesaid) may, subject to the provisions of the Act and these presents, be issued or disposed of by the Company in General Meeting or by the Directors under their powers in accordance with the provisions of Articles 11, 12, 13, 14 and the following provisions:
- (a) (i) such new shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date;
- (ii) the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
- (iii) the offer aforesaid shall be deemed to include a right exercisable by the persons concerned to renounce the shares offered to him or any of them in favour of any other person, at the notice referred to in sub-clause (ii) shall contain a statement of this right.

PROVIDED THAT the Directors may decline, without assigning any reason to allot shares to any person in whose favour any member may renounce the shares offered to him.

- (b) Nothing in clause (iii) of sub-article (a) shall be deemed:
- (i) to extend the time within which the offer should be accepted; or
- (ii) to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (c) Nothing in the Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company.
- (i) to convert such debentures or loans into shares in the Company; or
- (ii) to subscribe to the shares in the Company.

PROVIDED THAT the terms of issue of debentures or the terms of such loans include a term providing for such options and such terms:

- a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by the Government on this behalf; and
- b) In the case of debentures or loans other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf,

has also been approved by a special resolution passed by the company in General Meeting before the issue of the debentures or raising of the loans.

- (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such a manner and to such person(s) as they may think in their sole discretion, fit.
69. In addition to and without derogating from the powers for the purpose conferred on the Directors under Article 11, the Company in General Meeting may, in accordance with the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or holders of debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount, as such General Meeting shall determine. Shares under control of General Meeting
70. Except insofar as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original equity capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise. Same as original capital
71. (a) Subject to the provisions of Section 80(1) of the Act, the Company shall have the power to issue Preference Shares which are liable to be redeemed, provided that: Power to issue Redeemable Preference Shares
- (i) no such shares shall be redeemed except out of profits of the company which would otherwise be available for dividend or out of the proceeds or a fresh issue of shares made for the purposes of the redemption.
  - (ii) No such shares shall be redeemed unless they are fully paid.
  - (iii) The premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
  - (iv) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the Capital redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, apply as if the Capital Redemption Reserve Account were paid-up Share Capital of the Company.
- (b) Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of winding up of the Company, the holders of the equity shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such equity share and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid up on such equity shares, respectively, at the commencement of winding up.
72. The Company may, from time to time by Special Resolution, reduce its share capital (including the Capital Redemption Reserve Account and Share Premium Account, if any) in any way authorized by law and in particular may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may, if and so far as necessary alter its Memorandum and Articles of Association by reducing the amount of its share capital and of its shares accordingly. Reduction of Capital
- (Amendment made pursuant to the resolution passed by the members of the Company at the extraordinary General Meeting held on March 28, 2002).
73. The Company may in General Meeting by Ordinary Resolution alter the conditions of its Memorandum as follows : Division and sub-division of shares
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - (b) Subdivide shares or any of them into shares of smaller amount than originally fixed by the Memorandum and Articles of Association, subject, nevertheless, to the provisions of the Act in that behalf. Subject to these presents, the Resolution by which any shares are sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares may be given any preference or advantage or otherwise over the others or any other such shares.

- (c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of the shares so cancelled.

#### **MODIFICATION OF CLASS RIGHTS**

- Power to modify rights of different classes of shareholders/dissentient shareholders
74. (a) If, at any time, the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class may be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class with the sanction of a Special resolution passed at a separate meeting of the holders of the issued shares of that class.
- (b) This Article is not to derogate from any power the Company would have had if this Article were omitted and the right of the dissentient shareholders being holders of not less, in the aggregate, than 10 per cent of the issued shares of that class to apply to the Court to have the variation or modifications cancelled as provided in Section 107 of the Act.

#### **JOINT HOLDERS**

- Joint Holders
75. Where two or more persons are registered as the holders of any share/debenture, they shall be deemed to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:
- Company may refuse to register more than three persons
- (a) The Company shall be entitled to decline to register more than three persons as the joint holders of any share/debenture.
- Joint and several liability for all payments in respect of shares/debentures
- (b) The joint holders of any share/debenture shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such shares/debentures.
- Title of survivors
- (c) On the death of any such joint holder, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share/debenture, but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares/debentures held by him jointly with any other person.
- Receipt of one joint holder sufficient
- (d) Any one of such joint holders may give effectual receipt for any dividends/interest or other money payable in respect of such shares/debentures.
- Delivery of certificates and giving notice to first named holder
- (e) Only the person whose name stands first in the Register of Members as one of the joint holders of any share/debenture shall be entitled to delivery of the certificate relating to such share/debenture or to receive notice (which expression shall be deemed to include all documents mentioned in Article 181) from the Company and any notice given to such person shall be deemed notice to all the joint holders.
- Votes of joint holders
- (f) Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such share/debenture as if he were solely entitled to and, if more than one of such joint holders be present at any meeting personally or by proxy or by attorney, then that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by attorney or proxy stands first or higher (as the case may be) in the Register in respect of such shares. Several executors or administrators or a deceased Member in whose (deceased Member's) sole name any share stands shall for the purpose of this Clause be deemed joint holders.

#### **BORROWING POWERS**

- Power to borrow
76. Subject to the provisions of Sections 292 and 293 of the Act, the Board of Directors may, from time to time, by a Resolution passed at a Meeting of the Board, accept deposits or borrow moneys from Members, either in advance or calls or otherwise or accept deposits from public and may, generally, raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of bonds perpetual or redeemable debentures or debenture stock, by any mortgage or charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

77. The Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of bonds, perpetual or redeemable debentures or debenture stock, or other security or any mortgage or charge on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being. Conditions on which money may be borrowed
78. Bonds, debentures, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company. Bonds, debentures, etc. to be subject to control of Directors
79. Debentures, debenture stock, bonds or other securities may be made assignable free from any equity between the Company and the person to whom the same may be issued. Securities may be assignable free from equities
80. Bonds, debentures, debenture stock or other securities may be issued at a discount, premium or at par and with any special privileges as to redemption, surrender, drawing allotment of shares, attending General Meeting of the Company, appointment of Directors and otherwise. Issue of bonds, debentures or other securities at discount etc. or with special privilege
81. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may 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 hereinbefore contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Director's power or otherwise and shall be assignable if so expressed to be. Mortgage of uncalled capital
82. If the Directors or any of them or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. Indemnity may be given
83. The Directors shall cause a proper Register of Charges to be kept in accordance with the provisions of Section 143 of the Act of all charges specifically affecting the property of the Company and all floating charges on the undertaking or any property of the Company, and shall duly comply with requirements of the Act in regard to registration of mortgages and charges and in regard to inspection to be given to creditors or Members of the Register of Charges and of copies of instruments creating charges. Such sum as may be prescribed by the Act shall be payable by any person other than a creditor or Member of the Company for each inspection of the Register of Charges. Register of Charges to be kept

### MEETINGS

84. (a) (i) The Company shall, in addition to any other meeting, hold a general meeting which shall be styled as its "Annual General Meeting" at the intervals and in accordance with provisions, specified below; Annual General Meeting
- (ii) The Annual General Meeting of the Company, subsequent to the first Annual General Meeting, shall be held by the Company within six months after the expiry of the financial year in which the first Annual General Meeting was held, and thereafter an Annual General Meeting shall be held in each year by the Company within six months after the expiry of each financial year;
- (iii) Not more than 15 months shall elapse between the date of one Annual General Meeting and that of the next, unless the Registrar of Companies extends the time for holding Annual General Meeting.
- (b) Every Annual General Meeting shall be called for at a time during business hours, on a day that is not a public holiday, and shall be held either at the Registered Office of the Company or at some other place within the city in which the Registered Office of the Company is situated and the notices calling the meeting shall specify it as the Annual General Meeting.
85. All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings. Extraordinary General Meetings
86. The Board of Directors may, whenever they think fit, and shall, on the requisition of such number of Members of the Company as is hereinafter specified, forthwith proceed to call an Extraordinary General Meeting of the Company and in case of each requisition, the following provisions shall apply: Calling of extraordinary General Meeting
- a) The requisition shall set out the matters for the consideration of which the meeting is to

be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.

- b) The requisition may consist of several documents in like form, each signed by one or more requisitionists.
- c) The number of Members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter.
- d) Where two or more distinct matters are specified in the requisition, the provisions of sub-article (c) 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-article is fulfilled.
- e) If the Board does not, within 21 days from the date of the deposit of a valid requisition in regard to any matter, proceed duly to call a meeting for the consideration of those matters on a day not later than 45 days from the date of the deposit of the requisition, the meeting may be called by such of the requisitionists as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in sub-article (c) whichever is less. However for the purpose of this sub-article, the Directors shall, in case of a meeting at which a resolution is to be proposed as a Special Resolution, give such notice thereof as is required by the Act.
- f) A meeting called under sub-article (e) by the requisitionists or any of them;
  - i. Shall be called in the same manner, as nearly as possible, as that in which meeting are to be called by the Board, but
  - ii. Shall not be held after the expiration of three months from the date of the deposit of the requisition: provided that nothing contained in this sub-clause (ii) shall be deemed to prevent a meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.
- g) Where two or more persons hold any share or interest in the Company jointly, a requisition or a notice calling a meeting, signed by one or some only of them shall, for the purposes of this Article, have the same force and effect as if it had been signed by all of them.
- h) Any reasonable expense incurred by the requisitionists by reason of the failure of the Board to call a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

Notice of Meeting

87. a) A General Meeting may be called by giving not less than 21 days notice in writing.
- b) A General Meeting may be called after giving notice shorter than that specified in subarticle (a), if consent is accorded thereto:
- i. in case of an Annual General Meeting by all the Members entitled to vote thereat; and
  - ii. in the case of any other meeting by Members of the Company holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting.

Provided that where Members of the Company are entitled to vote only on some Resolution or Resolutions to be moved at a meeting and not on the others, those Members shall be taken into account for the purposes of this sub-article in respect of the former Resolution or Resolutions and not in respect of the latter.

Contents and manner of service of notice and persons on whom it is to be served

88. a) Every notice of a meeting of Company shall specify the place and the day and hour of the meeting, and shall contain a statement of business to be transacted thereat.
- b) Notice of every meeting of the Company shall be given:
- i. to every Member of the Company, in any manner authorized by Section 53 of the Act;
  - ii. to the Auditor or persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in prepaid letter addressed to them by name, or by the title of representatives of the deceased or assignees of

the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address had been supplied by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and

- iii. to the Auditors or for the time being of the Company in any manner authorized by Section 53 of the Act in the case of any Member or Members of the Company;
  - c) The accidental omission to give notice to or the non receipt of notice by any Member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
89. 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: Business at the Annual General Meeting
- i. the consideration of accounts, balance sheet and reports of the Board of Directors and Auditors,
  - ii. the declaration of a dividend,
  - iii. the appointment of Directors in the place of those retiring, and
  - iv. the appointment of and the fixing of remuneration of the Auditors; and
- b) In the case of any other meeting all business 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 of the concern or interest, if any, therein, of every Director, and the Manager, if any. Explanatory statement to be annexed to the notice
- Provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects any other company, the extent of shareholding interest in that other company of every Director and the Manager, if any, of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than 20 per cent of the paid-up share capital of that other Company.
- (d) Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
90. (a) A Resolution shall be an Ordinary Resolution when, at a General Meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the Resolution (including the casting vote, if any, of the Chairman) by Members who being entitled to do so, vote in person or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by Members so entitled and voting. Ordinary and Special Resolutions
- (b) A resolution shall be a Special Resolution when:
- (i) the intention to propose the resolution as a Special Resolution has been duly specified in the notice calling the General Meeting or other intimation given to the Member of the Resolution;
  - (ii) the notice required under the Act has been duly given of the General Meeting; and
  - (iii) the votes cast in favour of the Resolution (whether on a show of hands, or on a poll, as the case may be), by Members who, being entitled so to do, vote in person, where proxies are allowed, by proxy, are not less than three times the number of the votes, if any, cast against the Resolution by Members so entitled and voting.
91. a) Where by any provisions contained in the Act or in these presents special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than 14 days before the meeting at which its is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting; Resolution requiring special notice
- b) The company shall, immediately after the notice of the intention to move any such resolution has been received by it give its Members notice of the Resolution in the same manner as it give notice of the meeting or if that is not practicable shall given them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

## PROCEEDINGS AT GENERAL MEETING

- Quorum at General Meeting 92. Five members personally present, shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the business.
- Business confined to election of Chairman whilst chair vacant 93. No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
- Chairman of General Meeting 94. a) The Chairman, if any, of the Board shall preside as Chairman at every General Meeting of the Company;  
b) If there is no such Chairman or if he is not present within 15 minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting the Directors present shall elect one of them to be Chairman of the meeting;  
c) If at any meeting no Director is willing to act as Chairman or if no Director is present within 15 minutes after the time appointed for holding the meeting, the members present shall choose one of them to be Chairman of the meeting.
- Proceedings when quorum not present 95. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present, the meeting if convened on the requisition of Members shall be dissolved and in any other case shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine. If at such adjourned meeting also a quorum be not present within half an hour from the time appointed for holding the meeting, the Members present shall be a quorum and may transact the business for which the meeting was called.
- Adjourned Meeting 96. The Chairman with the consent of the meeting, may adjourn any meeting from time to time and from place to place; but no business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place. No notice of an adjourned meeting shall be necessary to be given unless the meeting is adjourned for more than 30 days.
- What is to be evidence of the passing of resolutions where poll not demanded 97. At any General Meeting, a Resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded in the manner hereinafter mentioned, and unless a poll is so demanded, a declaration by the Chairman that a Resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such Resolution.
- Demand for poll 98. a) Before or on the declaration of the result of the voting on any Resolution on a show of hands, a poll may be ordered to be taken by Chairman of the meeting of this own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding share in the Company:  
i. which confer a power to vote on the Resolution not being less than one-tenth of the total voting power in respect of the Resolution or;  
ii. on which an aggregate sum of not less than Rs. 50,000 has been paid up.  
b) The demand for a poll may be withdrawn at any time by the person who made the demand.
- Time of taking poll 99. (a) If a poll is demanded on the election of a Chairman or on a question of adjournment, it shall be taken forthwith and without adjournment.  
(b) A poll demanded on any other question shall be taken at such time not being later than 48 hours from the time when the demand was made, as the Chairman may direct.
- Right of Member to use his votes differently 100. On a poll taken at a meeting of the Company, a Member entitled to more than one vote, or his proxy or any other person entitled to vote for him, as the case may be, need not, if he votes or cast in the same way all the votes he uses.
- Scrutineers at poll 101. (a) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the votes given on the poll and to report thereon to him.  
(b) The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of the scrutineer arising from such removal or from any other cause.

- (c) Of the two scrutineers appointed under this Article, one shall always be a Member (not being an officer or employee of the Company) present at the meeting, provided that such a Member is available and willing to be appointed.
102. (a) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which poll shall be taken. Manner of taking poll and result thereof
- (b) The result of the poll shall be deemed to be decision of the meeting on the Resolution on which the poll was taken.
103. In the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands takes place or which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a Member. Motion how decided in case of equality of votes
104. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. Demand for poll not to prevent transaction of other business
105. The Company shall cause minutes of all proceedings of General Meetings to be entered in books kept for that purpose. The minutes of each Meeting shall contain a fair and correct summary of the proceedings thereat. All appointments of officers made at any of the Meetings shall be included in the minutes of the Meeting. Any such minutes, if purporting to be signed by the Chairman of the Meeting at which the proceedings took place or in the event of the death or inability of that Chairman, by a Director duly authorized by the Board for the purpose, shall be evidence of the proceedings. Minutes of General Meeting
106. The books containing minutes of proceedings of General Meetings of the Company shall be kept at the Registered Office of the Company and shall be open to the inspection of any Member without charge, on any working day (except Saturday) between 11 am and 1 pm or such other time as the Board may determine from time to time. Inspection of minute books
107. Any Member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to above on payment of such sum as may be prescribed by the Act. Copies of minutes

#### **VOTES OF MEMBERS**

108. Subject to the rights or restrictions for the time being attached to any class or classes of shares: Votes
- (a) Upon a show of hands, every Member entitled to vote and present in person or by attorney or proxy shall have one vote.
- (b) Upon a poll, every Member entitled to vote and present in person or by attorney or by proxy shall have one vote for every share held by him.

Provided that in the event of the Company issuing Preference Shares, the holders of such Preference Shares shall have no right to vote either in person or by proxy, at any General Meeting by virtue or in respect of their holding of Preference Shares, unless the preferential dividend due on such Preference Shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of commencement of the Meeting or unless a Resolution is proposed directly affecting the rights or privileges attached to such Preference Shares;

For the purpose of this Article:

- (a) Any Resolution for winding up the Company or for the repayment or reduction of its share capital shall be deemed directly to affect the rights attached to Preference Shares;
- (b) Dividend shall be deemed to be due on Preference Shares in respect of any period whether a dividend has been declared by the Company on such shares for such period or not -
- (i) On the last day specified for the payment of such dividend for such period in the Article or other instrument executed by the Company in that behalf;
- (ii) In case no day is so specified on the day immediately following such period.
109. A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member, by Resolution of its Board of Directors or other governing body authorize any such person as it thinks fit to act as its representative at any meeting of the Company in accordance with the provisions of Section 187 of the Act, and may vote on a show of hands as if he were Voting of Corporations

a member of the Company. The production at the meeting of a copy of such Resolution duly signed by the secretary of such a body corporate or any other person authorised by it in that regard, and certified by the secretary or such person as the case may be, as being a true copy of the Resolution shall on production at the meeting, be accepted by the Company as sufficient evidence of the validity of his appointment.

- No Member to vote unless calls are paid up 110. Subject to the provisions of the Act, no Member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or attorney for any other Member or be reckoned in a quorum whilst any call or other sum shall be overdue and payable to the Company in respect of any of the shares of such Member for more than one month.
- Votes in respect of shares of deceased /insolvent Members 111. Any person entitled under the Transmission Clause (Article 58 hereof) to transfer any shares may vote at General Meetings in respect thereof as if he was the registered holder of such shares, provided that at least 48 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 have previously admitted his right to vote at such meeting in respect thereof.
- Qualification of proxy 112. Any Member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself, but a proxy so appointed shall not have any right to speak at the meeting.
113. In every notice calling a meeting of the Company, there shall appear, with reasonable prominence, a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a Member.
- Execution of instrument of proxy 114. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in writing under the hand of the appointer or his attorney authorized in writing or if such appointer is a body corporate under its common seal or the hand of an officer of attorney duly authorized by it and shall, as nearly as circumstances will admit, be in the form specified in Schedule IX of the Act.
- Deposit of instrument of appointment and inspection 115. No person shall act as proxy unless the instrument of his appointment and the power of attorney or other authority, if any under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office at least 48 hours before the time for holding the meeting at which the person named in the instrument of proxy proposes to vote and in default the instrument appointing proxy shall not be treated as valid. No attorney shall be entitled to vote unless the power of attorney or other instrument appointing him as attorney or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than 48 hours before the time of the meeting at which the attorney proposes to vote or is deposited at the Office not less than 48 hours before the time of such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Member or the attorney at least seven days before the date of a meeting require him to produce the original Power of Attorney or authority and unless the same is thereupon deposited with the Company not less than 48 hours before the time fixed for the meeting the attorney shall not be entitled to vote at such meeting unless the Directors, in their absolute discretion, excuse such non-production and deposit. Every Member entitled to vote at a meeting of the Company or on any Resolution to be moved thereat shall be entitled, during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company provided that not less than three days notice in writing of the intention so to inspect is given to the Company.
- Custody of the instrument 116. If any such instrument of appointment be confined to the object of appointing a proxy or substitute for voting at meetings of the Company, it shall remain, permanently or for such time as the Directors may determine, in the custody of the Company and, if embracing other objects a copy thereof, examined with the original shall be delivered to the Company to remain in the custody of the Company.
- Form of proxy 117. Every instrument of proxy whether for a specified meeting or otherwise shall as nearly as circumstances will admit be in such form as may be prescribed from time to time.
- Validity of votes given by proxy notwithstanding death of Member etc. 118. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office of the Company before the meeting.

119. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy not so disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever. Time for objections to vote
120. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. Chairman of any meeting to be the judge of validity of any vote
121. Any member whose name is entered in the register of the members of the company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class. Equal rights of Members

#### DIRECTORS

122. Until otherwise determined by a General Meeting, the number of Directors shall not be less than three or more than 15 excluding the Debenture Director and the Alternate Director (if any). Number of Directors
123. (a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Bank, Finance Corporation or Credit Corporation or to any other Finance Company or Body (hereinafter in this Article referred to as "the Lender") pursuant to the agreement signed for the financial assistance between the Company and the Lender, the Lender shall have a right to appoint from time to time any person or persons as a Director (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of Directors of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.
- (b) Nominee Director/s shall not be liable to retirement by rotation. Not more than one third of the total number of Directors shall be non-rotational Directors and, except for the Debenture Director and Nominee Director, such non-rotational Directors (hereinafter referred to as Non-rotational Directors) shall be appointed by the Board of Directors of the Company. The remaining Directors shall be persons whose period of office shall be liable to determination by rotation and subject to the provisions of the Act shall be appointed by the Company in General Meeting.
- (c) Any appointment or removal of Nominee Director shall be by a notice in writing addressed to the Company and the appointment or removal shall take effect forthwith upon such notice being delivered to the Company.
- (d) The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Lender or so long as the Lender holds debentures in the Company or the liability of the Company arising out of any guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately when the moneys owing by the Company to the Lender is paid off or on the Lender ceasing to hold debentures in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Lender.
- (e) The Board of Directors of the Company shall have no power to remove from office any Nominee Director/s. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings.
- (f) The Company shall pay to the Nominee Director/s, sitting fees and expenses which the other Directors of the Company are entitled to but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Lender and same shall accordingly be paid by the Company directly to the Lender. Any expenses that may be incurred by the Lender or by such nominee Director/s in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Lender or as the case may be to such Nominee Director/s.
- Provided that if any such Nominee Director/s is an officer of the Lender, the sitting fee in relation to such Nominee Director/s shall accrue to the Lender and the same shall accordingly be paid by the Company directly to the Lender."
124. The persons hereinafter named are the first Directors of the Company Directors
1. Shri Narayanan Vaghul
  2. Shri Bhupendranath Vidyanath Bhargava
  3. Shri Doveton J. Balaji Rao
- Any trust covering the issue of debentures of the Company may provide for the appointment of a Director (in these presents referred to as the "Debenture Director") for and on behalf of the Debenture Holders for such period as is therein provided not exceeding the period for which the debentures or any of them shall remain outstanding and for the removal from office of such Debenture Director and on a vacancy being caused whether by resignation, death, removal or otherwise for appointment of Debenture Director in the vacant place. The Debenture Director shall not be liable to retire by rotation or be removed from office except as provided as aforesaid. Debenture Director
125. (a) The Board of Directors may appoint an Alternate Director to act for a Director (hereinafter in this Articles called the "Original Director") at his suggestion or otherwise, during his absence for a period of not less than three months from the state in which meetings of the Board are ordinarily held. Alternate Directors
- (b) An Alternate Director appointed under sub-article (a) shall not hold office as such for a period longer than permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to the state in which meetings of the Board are ordinarily held.
- (c) If the term of office of the original Director is determined before he so returns to the state aforesaid, any provision for the automatic reappointment of retiring Director in default of another appointment shall apply to the original and not to the Alternate Director.
126. (a) No Director shall be required to hold any qualification shares in the Company. Share qualification
- (b) No person shall be qualified to be Director, if his appointment is in contravention with any law or guideline in force or if by amendment of any law or guideline, his continuance in office is in contravention of such law or guideline and he shall immediately vacate his office on such vacation, he shall not be entitled to any compensation.
127. The fees payable to a Director for attending a meeting of the Board or committee thereof shall be decided by the Board of Directors, from time to time, within the maximum limits that may be prescribed by the Act or the Central Government. Remuneration of Directors
128. The Directors may allow and pay to any Director, who is not a bona fide resident of the place where a meeting is held and who shall come to such place for the purpose of attending a meeting, such sum as the Directors may consider fair compensation for traveling, hotel and other expenses, in addition to his remuneration as above specified and the Directors may, Directors not Bonafide residents of the place where a meeting is held may receive extra compensation

from time to time, fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms these presents and may pay the same.

- Special remuneration to Director going out 129. If any Director, being willing, is called upon to perform extra services or to make any special exertions in going out or residing at a particular place or otherwise for any of the purpose of the Company, the Company may remunerate such Director either by a fixed sum or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution of his remuneration above provided.
- Appointment of a Director in casual vacancy or Additional Director 130. The Directors shall have the power, at any time and from time to time, to appoint, subject to the provisions of these presents, any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the total number shall not at any time exceed the maximum number fixed as above; but any Director so appointed shall hold office only up to the date of the next Annual General Meeting of the Company and shall then be entitled for re-election.
- Directors may act notwithstanding vacancy 131. Subject to the provision of the Act, the continuing Directors may act, notwithstanding any vacancy in their body; but if the number falls below the minimum number fixed, the Directors shall not, except in emergencies or for the purpose of filling up vacancies or for summoning a General Meeting of the Company, act as long as the number is below the minimum and they may so act notwithstanding the absence of a necessary quorum under the provisions of Article 148.
- Directors vacating office 132. (a) The office of a Director shall become vacant as provided in the Act. if :
- (i) he is found to be unsound mind by a court of competent jurisdiction; or
  - (ii) he applies to be adjudicated an insolvent; or
  - (iii) he is adjudged an insolvent; or
  - (iv) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
  - (v) he fails to pay any call in respect of shares held by him alone or jointly with others within six months from the last date fixed for the payment of such calls made, unless the Central Government has, by notification in the official gazette, removed the disqualification incurred by such failure; or
  - (vi) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is the longer, without leave of absence from the Board of Directors; or
  - (vii) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company in which he is a Director, accepts a loan or guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
  - (viii) he acts in contravention of Section 299 of the Act; or
  - (ix) he becomes disqualified by an order of the Court; or
  - (x) he is removed in pursuance of Section 284 by an Ordinary Resolution of the Company before the expiry of his period of office; or
  - (xi) he resigns office by notice in writing addressed to the Company or to the Directors; or
  - (xii) he, his relative or partner or any firm in which he or his relative is a partner or any private company of which he is Director or Member without the sanction of a Special Resolution of the Company, holds any office of profit under the Company; or
  - (xiii) having been appointed a Director by virtue of his holding any office or other employment in the Company; he ceases to hold such office or other employment in the Company; or
  - (xiv) if he becomes disqualified under Article 125 (b).
- (b) Notwithstanding anything in clauses (iii), (iv), and (ix) of sub-article (a), the disqualification referred to in those clauses shall not take effect;
- (i) for 30 days from the date of adjudication or sentence or order;
  - (ii) where any appeal to petition is preferred within the 30 days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of 7 days from the date of which such appeal or petition is disposed of;
  - (iii) where within the seven days aforesaid any further appeal of petition is preferred in respect of the adjudication, sentence, conviction or order and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further

appeal and petition is disposed of.

133. (a) Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors. Disclosure of interest by Director
- (b) (i) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under sub-article (a) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, then at the first meeting of the Board held after he becomes so concerned or interested;
- (ii) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
- (c) (i) For the purpose of sub-article (a) and (b), a general notice given to the Board by Director, to the effect that he is a Director or a member of a specified body corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made;
- (ii) Any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for further periods of one financial year at a time, by a fresh notice given in the last month of financial year in which it would otherwise expire;
- (iii) No such general notice, and no renewal thereof, shall be of effect unless either it is given at a meeting of the Board, or the Directors concerned take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
- (d) Nothing in the Article shall be taken to prejudice the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contracts or arrangement with the Company.
- (e) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any of the Directors of the Company or two or more of them together hold not more than two per cent of the paid-up share capital in the other Company.
134. (a) At any Board Meeting, no Director of the Company shall, as a Director, take any part in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote his vote shall be void. Interested Director not to participate or vote in Board's proceedings
- (b) Sub-article (a) shall not apply to :
- (a) any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company;
- (b) any contract or arrangement entered into or to be entered into with a public company or, private company, which is a subsidiary of a public company, in which the interest of the Director aforesaid consists solely,
- (i) In his being a Director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company; or
- (ii) in this being a member holding not more than two per cent of the paid up share capital of such other company.
135. (a) A Director of the Company may be, or become, a Director of any company promoted by this Company, or in which it may be interested as a vendor, member or otherwise and subject to the provisions of any law in force and these presents and no such Director shall be accountable for any benefit received as Director or member of such company except insofar as Section 309 (6) or Section 314 of the Act may be applicable. Directors may be Directors of companies promoted by the Company

Disclosures by Director on appointment	(b) A Director shall, within 20 days of his appointment to or relinquishment of his office as Director, Managing Director, Manager or Secretary in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under Section 303(1) of the Act.
Register of Director	(c) The Company shall enter the aforesaid particulars in a register kept for the purpose in conformity with Section 303 of the Act.
Director to give notice of his shareholdings	(d) A Director shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 307 of the Act. If such notice be not given at a meeting of the Board, the Director shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given. The Company shall enter particulars of Directors holding of shares and debentures as aforesaid in a register kept for the purpose in conformity with Section 307 of the Act.  (e) If any Director has any interest in any other company, institution, financial intermediary or any body corporate by virtue of his position as director, partner or in any other capacity, then he shall disclose his interest to the Board of Directors.

### ROTATION OF DIRECTORS

Directors to retire annually how determined	136. At every Annual General Meeting of the Company other than the First Annual General Meeting one-third of such of the Directors for the time being as are liable to retire by rotation or if their numbers is not three or a multiple of three, then the number nearest to one-third shall retire from office.
Which Directors to retire	137. The Directors to retire by rotation at every Annual General Meeting shall be those (other than the Nominee Director and Debenture Director) who have been longest in office since their last appointment but, as between persons who became Directors on the same day, those who are to retire shall (unless they otherwise agree among themselves) be determined by lot.
Retiring Director eligible for re-election	138 A retiring Director shall be eligible for re-election.
Company to fill up vacancy	139 The Company at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by appointing the retiring Director or some other person thereto.
Retiring Directors to remain in office till successors appointed	140. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, and if at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless :  (a) at the meeting or at the previous meeting a Resolution for the reappointment of such Director has been put to the meeting and lost.  (b) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so reappointed.  (c) he is not qualified or is disqualified for appointment.  (d) a Resolution, whether Special or Ordinary is required for his appointment by virtue of any provision of the Act.  (e) the proviso to sub-article (b) of Article 140 or sub-article (c) of Article 140 is applicable to the case.
Appointment of Directors to be voted on individually	141. (a) At every Annual General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single Resolution, unless a Resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.  No such a general notice, and no renewal thereof, shall be of effect unless either it is given at a meeting of the Board or the Directors concerned take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.  (b) A Resolution moved in contravention of sub-article (a) of this Article shall be void

whether or not objection was taken at the time to its being so moved; provided that where a Resolution so moved is passed, no provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply.

- (c) For the purpose of this Article, a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.
142. (a) No person, not being a retiring Director shall be eligible for election to the office of Directors at any General Meeting, unless he or some other Member intending to propose him has, at least 14 clear days before the meeting, left at the Office a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him along with a deposit of Rs. 500 which shall be refunded to such person or, as the case may be to such Member, if the person succeeds in getting elected as a Director. Right of persons other than retiring Directors to stand for Directorship
- (b) The Company shall inform its Members of the candidature of a person for the office of Director or the intention of a Member to propose such person as a candidate for that office by serving individual notices on the Members not less than seven days before the Meeting. Provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the Registered Office of the Company is located of which one is published in the English language and the other in the regional language of that place.
143. (a) The Company may, by ordinary Resolution, remove a Director (not being a Nominee Director) before the expiry of his period of office. Removal of Directors
- (b) Special Notice shall be required of any Resolution to remove a Director under this Article or to appoint somebody instead of a Director so removed at the meeting at which he is removed.
- (c) On receipt of notice of a Resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned, and the Director (whether or not he is a Member of the Company ) shall be entitled to be heard on the Resolution at the Meeting.
- (d) Where notice is given of a Resolution to remove a Director under this Article and the Director concerned makes, with respect thereto, representations in writing to the Company (not exceeding a reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are received by it too late for it to do so:
- (i) in any notice of the Resolution given to Members of the Company, state the fact of the representation having been made; and
  - (ii) send a copy of the representations to every Member of the Company to whom notice of the meeting is sent (whether before or after receipt of the representations by the Company) and, if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting; provided that copies of the representations need not be sent out and the representations need not be read out at the meeting, if on the application either of the Company or of any other person who claims to be aggrieved the Court is satisfied that the rights conferred by his sub-article are being abused to secure needless publicity for defamatory matter.
- (e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board be filled by the appointment of another Director in his stead by the meeting at which he is removed provided special notice of the intended appointment has been given under sub-article (b) of this Article. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.
- (f) If the vacancy is not filled under sub-article (e) of this Article, it may be filled as a casual vacancy in accordance with the provisions so far as they may be applicable of Article 129 and all the provisions of that Article shall apply accordingly; provided that the Director who was removed from office shall not be re-appointed as a Director by the Board of Directors.

## PROCEEDINGS OF DIRECTORS

- Meeting of Directors 144. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit; provided however that a meeting of the Board of Directors shall be held at least once in every three calendar months and at least four such meetings shall be held in every year.
- When meeting to be convened 145. The Chairman may at any time and the Manager or such officer of the Company as may be authorised by the Directors shall upon the request of a Director convene a meeting of the Directors.
- Notice of Meeting 146. Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director.
- Chairman of Board of Directors 147. The Directors may elect their Chairman and determine the period for which he is to hold office. All meetings of the Directors shall be presided over by such Chairman, if present, but if at any meeting of Directors, the Chairman be not present, at the time appointed for holding the same in that case the Directors, shall choose one of the Directors then present to preside at the meeting.
- Questions at Board Meetings how decided 148. Questions arising in any meeting shall be decided by a majority of votes and in case of an equality of votes the Chairman of the meeting (whether the Chairman appointed by virtue of these presents or the Director presiding at such meeting) shall have a second or casting vote.
- The meeting of the Board of Directors for the time being at which a quorum is present, shall be able to exercise all or any of authorities/powers and discretion which by or under the Act or these presents are vested in or exercisable by the Board of Directors generally.
- Quorum and its competence to exercise powers. 149. The quorum for a meeting of Board of Directors of the Company shall be one-third of its total strength (any fraction contained in that one- third being rounded off as one) or two Directors, whichever is higher, provided that where at any meeting, the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of remaining Directors, that is to say the number of the Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time, and provided further that the aforesaid proviso shall not be applicable when any contract or arrangement is entered into by or on behalf of the Company with a Director or with any firm of which a Director is a Partner or with any private company of which a Director is a Member or Director for -
- (a) the underwriting or subscription of shares or debentures of the Company, or
  - (b) the Purchase or Sale of Shares or Debentures of any other Company, or
  - (c) a loan by the Company.
- For the purposes of this Article:
- (i) "total strength" means the total strength of the Directors of the Company as determined in pursuance of the Act, after deducting therefrom the number of the Directors, if any, whose places may be vacant at the time;
  - (ii) "interested Director" means any Director whose presence cannot by reason of Article 133 or any other provisions of the Act count for the purpose of forming the quorum at a meeting of the Board at the time of the discussion or vote on any matter.
- Procedure where meeting adjourned for want of quorum 150. (a) If a meeting of the Board cannot be held for want of quorum, then, unless the Directors present at such meeting otherwise decide, the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.
- (b) The provisions of Article 143 shall not be deemed to have been contravened merely by reason of the fact that a meeting of Board which had been called in compliance with the terms of that Article could not be held for want of a quorum.
- Certain powers to be exercised at Board Meeting only 151. (a) The Board shall exercise the following powers on behalf of the Company, and it shall do so only by means of resolutions passed at its meetings.
- (i) the power to make calls on shareholders in respect of money unpaid on their shares;
  - (i)(a) The power to authorise buyback referred to in the first proviso to clause (b) of subsection (2) of Section 77A of the Act.

- (ii) the power to issue debentures;
- (iii) the power to borrow money otherwise than by debentures;
- (iv) the power to invest the funds of the Company; and
- (v) the power to make loans.

Provided that the Board may, by resolution passed at a meeting, delegate to any committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of branch office of the Company, to a principal officer of the branch office, the powers specified in clauses (iii), (iv) and (v) to the extent and subject to the conditions specified in Section 292 of the Act.

152. The Board shall not except with the consent of the Company in General Meeting (a) sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. Consent of Company necessary for exercise of Certain powers
- (b) remit, or give time for the repayment of, any debt due by a Director.
  - (c) invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.
  - (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.
  - (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed the prescribed limits.
153. The Company shall not, without obtaining the previous approval of the Central Government, if and to the extent necessary, in that behalf, make any loan to, or give any guarantee or provide any security in connection with a loan made by any other person to or to any other person by: Loans to Directors etc.
- (i) any Director of the Company or any partner or relative of any such Director;
  - (ii) any firm in which any such Director or relative is a partner;
  - (iii) any private company of which any such Director is a Director or member;
  - (iv) any body corporate at a general meeting of which not less than 25 per cent of the total voting power may be exercised or controlled by any such Director, or by two or more such Directors together;
  - (v) any body corporate, the Board of Directors, Managing Director or Manager whereof is accustomed to act in accordance with the directions or instructions of the Board or of any Director or Directors of the Company.
154. Subject to the restriction contained in Section 292 of the Act, the Board may delegate any of their powers to committee of the Board and the Board may from time to time revoke and discharge such committee of the Board, either wholly or in part and either as to persons or purposes but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purposes of its appointment but not otherwise, shall have the force and effect as if done by the Board. Directors may appoint committee
155. The meetings and proceedings of any such committee shall be governed by the provisions of these presents for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superceded by any regulations made by the Directors under the last preceding Article.
156. All acts done by any meeting of the Board or of a committee thereof or by any person acting as a Director shall be valid notwithstanding that it may be afterwards discovered that the appointment of any one or more of such Directors or of any person acting as aforesaid, was Acts of Board or committee valid notwithstanding defect of appointment

invalid by reason of defect or disqualification or had terminated by virtue of any provision contained in the Act or these presents; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Resolution by circular 157. No Resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the Resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the Members of the committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or Members, at their usual address in India and has been approved by such of the Directors as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

Minutes of proceedings of Directors and committees 158. The Company shall cause minutes of Meetings of the Board of Directors and all committees of the Board to be duly entered in a book or books provided for that purpose.

The minutes shall contain:

- (i) a fair and correct summary of the proceedings at the meeting;
- (ii) the names of the Directors present at the meeting of the Board of Directors or of any committee of the Board;
- (iii) all orders made by the Board and committee of the Board and all appointments of officers and committees of Directors;
- (iv) all Resolutions and proceedings of meetings of the Board and the Committees of the Board;
- (v) in the case of each Resolution passed at a meeting of the Board or committee of the Board, the names of the Directors, if any, dissenting from, or not concurring with, the resolution.

By whom minutes to be signed and the effect of such minutes 159. Any minutes of any meeting of the Board or of any committee of the Board shall be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting and shall, for all purpose whatsoever, be prima facie evidence of the actual passing of the Resolutions recorded and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

#### **POWER OF DIRECTORS**

General powers of Company vested in Directors 160. Subject to the provision of the Act and these presents, the business of the Company shall be managed by the Directors who may exercise all such powers and do all such acts and things as the Company is authorised to exercise and do and are not by these presents or by statute directed or required to be exercised or done by the Company in General Meeting, provided that no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Specific powers given to Directors. 161. Without prejudice to the general powers conferred by the last preceding Article and the other powers conferred by these presents but subject, however, to the provisions of the Act, it is hereby expressly declared that the Directors shall have the following powers:

- (1) to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (2) (a) to have an official seal for use abroad;  
(b) to keep a Foreign Register in accordance with the provisions of the Act.
- (3) to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at such price and generally on such terms and conditions as they think fit.
- (4) at their discretion to pay for any property or rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash, or in shares, bonds, debentures, debenture stock or other securities of the Company, and such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (5) to insure and keep insured against loss or damage by fire otherwise for such period and

to such extent and they may think proper all or any part of the buildings, machinery, goods, stores, products, and other movable/immovable property of the Company either separately or conjointly; also, to insure all or any portion of the goods, products, machinery, and other articles imported or exported by the Company and to sell, assign, surrender, or discontinue any policies of assurance affected in pursuance of this power.

- (6) to open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from any such accounts, from time to time as the Directors may think fit.
- (7) to secure the fulfilment of any contract or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit.
- (8) to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in any payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.
- (9) to accept from any Member, on such terms and conditions as shall be agreed, a surrender of his shares or any part of thereof.
- (10) to appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such acts and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (11) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debt due or of any claims or demands by or against the Company.
- (12) to refer any claim for demand by or against the Company to arbitration and observe and perform the awards.
- (13) to act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- (14) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (15) to determine from time to time, who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents.
- (16) to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof, upon such securities and in such manner as they may think fit and from time to time, to vary or realize such investments.
- (17) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgage of the Company's property (present and future) as they think fit, and any such other mortgage may contain a power of sale and such other powers convenient and provisions as shall be agreed on.
- (18) To give to any Director, officer or other person employed by the Company an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company; provided that the share of general profits of the Company payable to the Directors or to the officers of the Company shall not exceed in the aggregate a sum equivalent to three per cent of the net profit of the Company as determined in accordance with the provisions of Sections 349 and 350 of the Act; provided further that this limitation or restriction on the percentage of net profits shall not be applicable to any distribution of a general bonus to employees of the Company.
- (19) To provide for the welfare of employees or ex-employees of the Company or its predecessors in business and the spouse, widow or widower, father (including stepfather), mother (including stepmother), brother (including stepbrother), sister (including stepsister), son (including stepson), daughter (including stepdaughter), son's widow, daughter's widower, deceased son's children, deceased daughter's children or

the dependents of such employees or ex-employees by building or contributing to the building of houses or dwelling or by grant of money, pensions, allowances, bonus or other payments or by creating and, from time to time, subscribing or contributing to provident funds and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and to subscribe or contribute to or otherwise assist charitable, benevolent, national, and/or other institution or objects.

Directors to recommend payment of dividend.

- (20) Subject to the provisions of Article 151 to subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for any exhibition or to any institution, club, society or fund.
- (21) Subject to the provisions of Article 166, the Directors may before recommending any dividend, set aside, out of the profits of the Company, such sums as they may think proper for depreciation or to a Depreciation Fund or as Reserve or to a Reserve Fund or Sinking Fund or any Special Fund to meet contingencies or to repay Redeemable Preference Shares or debentures or for payment of dividends or for equalizing dividends or for repairing, improving, extending and maintaining any part of the property of the Company, or for such other purposes as the Directors may, in their absolute discretion, think conducive to the interests of the Company; and the Directors may invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit and from time to time, deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid), in their absolute discretion, think conducive to the interests of the Company, notwithstanding that the matters to which the Directors apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and the Directors may divide the Reserve or a Fund into such special funds and transfer any sum from one Fund to another as the Directors may think fit, and may employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Redeemable Preference Shares or Debentures and that without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same, with power, however, to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper, not exceeding five per cent per annum.
- (22) To appoint and at their discretion remove or suspend such committee or committees of experts, technicians, advisers, manager or managers, secretary or secretaries, officer(s), clerk(s), employee(s) and agent(s) for permanent, temporary or special services as they may, from time to time, think fit and to determine their powers and duties and fix their salaries and emoluments and require security in such instances and to such amounts as they may think fit. And also, without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India in such manner as they think fit and the provisions in sub-article 25 and 26 following shall be without prejudice to the general powers conferred by this sub-article.
- (23) To comply with the requirements of any local law which, in their opinion shall, in the interests of the Company, be necessary or expedient to comply with.
- (24) From time to time at any time, to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of any Local Board and to fix their remuneration. And from time to time and at any time, but subject to the provisions of Section 292 of the Act and Article 150, to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, and to authorize the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act, notwithstanding vacancies and any such appointment or delegation may be made, on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation. Any such delegates may be authorized by the Directors to subdelegate all or any of the powers, authorities and discretions for the time being vested in them.
- (25) At any time and from time to time, but subject to the provisions of Section 292 of the Act and these presents by power of Attorney, to appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors

under these presents) and for such period and subject to such conditions as the Directors may, from time to time, think fit and any such appointment may be made in favour of the members or any of the members of any local Board established as aforesaid, or in favour of any company or the members, Directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Directors, and any such Power of Attorney may obtain such powers for the protection or convenience of persons dealing with such attorneys as the Directors may think fit.

- (26) Generally, subject to the provisions of the Act and these Articles, to delegate any of the powers, authorities and discretions vested in the Directors to any Director and/or Officer, person, firm, company or fluctuating body of persons as aforesaid and the Board may from time to time revoke such delegation.
- (27) Any such delegate or attorney as aforesaid may be authorized by the Directors to sub delegate all or any of the powers, authorities and discretions for the time being vested in him.
- (28) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

#### **MANAGING DIRECTOR/WHOLE-TIME DIRECTOR**

- 162. (a) Subject to the provisions of the Act and these presents, the Board of Directors shall have power to appoint from time to time, one or more of their body to be Managing Director or Managing Directors and/or Whole-time Directors or Whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to 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. Board may appoint Managing Director(s) or Whole-time Director (s).
- (b) Subject to the provisions of the Act and these present, the Managing Director or the Whole-time Director shall not, while he continues to hold that office, be subjected to retirement by rotation as provided in these presents but he shall be subject to the provisions of any contract between him and Company and be subjected to the same provisions as to the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director / whole- time Director if he ceases to hold the office of Director from any cause, provided that if at any time the number of Directors (including Managing Director or Whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director(s) or whole- time Director(s) or two or more of them as the Directors may, from time to time determine shall be liable to retirement by rotation in accordance with the provisions of these presents to the intent that the number of Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.
- (c) The remuneration of the Managing Director or Whole-time Director shall (subject to Section 198, 269, 309, 310, & 311 of the Act, and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time, and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits or by any or all these modes or any other mode not expressly prohibited by the Act. Remuneration of Managing or Whole-time Director (s)
- (d) Subject to the provision of Section 198, 269, 309, 310, & 311 of the Act and also subject to the limitations, conditions and provisions of Schedule XIII of the Act, the appointment and payment of remuneration of the Managing Director(s) and /or wholetime Director(s) shall be subject to approval of the Members in General Meeting.
- (e) Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director, or wholetime Director with power to the Board to distribute such day-to-day management functions in any manner as it may deem fit, subject to the provisions of the Act and these presents.

#### **THE SEAL**

- 163. The Directors shall provide a Common Seal for the purposes of the Company, and shall have power, from time to time, to destroy the same and substitute a new seal in lieu thereof, and The seal, its custody and use

the Directors shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by or under the authority of the Directors or a committee of Directors and in the presence of at least two Directors or at least one Director and the Secretary or such other person(s) as the Board may appoint for the purpose who shall sign every instrument to which the Seal is affixed; provided further that certificates of shares may be sealed in the manner provided under the issue of Share Certificates Rules.

Seal abroad 164. The Company may exercise the powers conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors.

## DIVIDENDS

Division of profits 165. The profits of the Company, subject to any special rights relating thereto created or authorized to be created by the memorandum or these presents, and subject to the provisions of the Act and of these presents, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.

Capital paid up in advance at interest not to earn dividends 166. (a) Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

Payment of interest out of capital in certain cases. (b) Where shares in the Company are issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provisions of any plant, which cannot be made profitable for a lengthy period, the Company may :-  
 (i) pay interest on so much of that share capital as is for the time being paid up, for the period and subject to the conditions and restrictions provided in sub-section (2) to (7) of Section 208 of the Act; and  
 (ii) Charge the sum so paid by way of interest to capital as part of the cost of construction of the work or building, or the provisions of plant.

Dividends in proportion to amount paid up 167. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others.

The Company in General Meeting may declare a dividend 168. The Company in General Meeting may declare a dividend to be paid to the Members according to their respective rights and interests in the profits and may fix the time for payment

No larger dividend than recommended by Directors etc. 169. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare smaller dividend. Subject to the provisions of Section 205 of the Act no dividend shall be payable except out of the profits of the year or any other undistributed profits and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

Interim dividend 170. The Directors may, from time to time, pay to the Members such interim dividends as in their judgement the position of the Company justifies.

Retention of dividends until completion of transfer under Article 58 171. The Directors may retain the dividends payable upon shares in respect of which any person is, under Article 58 hereof, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.

No Member to receive dividend whilst indebted to the Company and Company's right of reimbursement 172. Subject to the provisions of the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise however either alone or jointly with any other person or persons and the Directors may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.

Transfers of shares must be registered 173. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

174. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall, notwithstanding anything contained in any other provision of the Act:

(a) transfer the dividend in relation to such shares to the special account referred to in Section 205A of the Act, unless the Company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and

- (b) keep in abeyance in relation to such shares any offer of rights shares under clause (a) sub-section (i) of Section 81 and any issue of fully paid-up bonus shares in pursuance of sub-section (3) of Section 205 of the Act.

175. Unless otherwise directed, any dividend may be paid by cheque or warrant sent by post to the registered address of the Member or person entitled, or in case of joint holder, to that one of them first named in the Register in respect of the joint holding. Every such cheque shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transit or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means. Dividends how remitted

176. Subject to the provisions of Section 205A of the Act, if the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within seven days from the date of expiry of the said period of 30 days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days to a special account in that behalf in any Scheduled bank called the "Unpaid Dividend Account of **3i Infotech Limited**. Unclaimed Dividends

Any money paid to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to Investor Education and Protection Fund established under Section 205C of the Act.

177. (a) Any General Meeting, declaring a dividend may make a call in the member in respect of moneys unpaid on shares for such amount as the meeting fixes but so that the call on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the members, be set off against the calls. Dividend and call together

(b) No dividend shall be payable except in cash; provided that nothing in this Article shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the Members of the Company. Special provision in reference to dividend

#### CAPITALIZATION

178. (a) Any General Meeting may resolve that any moneys, investments to other assets forming part of the undivided profits [including profits or surplus moneys arising from the realization (where permitted by law) and from the appreciation in value of any capital assets of the Company] standing to the credit of the Reserve or Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the share premium account to be capitalized: Capitalization

- (i) by the issue and distribution as fully paid up shares, debentures, debenture stock, bonds or other obligations of the Company; or
- (ii) by crediting shares of the Company which may have been issued to and are not fully paid up, with the whole or any part of sum remaining unpaid thereon.

(b) Such issue and distribution under (i) above and such payment to the credit of unpaid share capital under (ii) above shall be made to, among and in favour of the Members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them, respectively, in respect of which such distribution under (i) or payment under (ii) above shall be made on the footing that such Members become entitled thereto as capital.

(c) The Directors shall give effect to any such resolution and apply such portion of the profits or Reserve or Reserve Fund or any other Fund on account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture stock, bonds or other obligations of the Company so distributed under (i) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (ii) above; provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended, such distribution and payment shall be accepted by such Members as aforesaid in full satisfaction of their interest in the said capitalized sum. For the purpose of giving effect to any such Resolution, the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and, in particular they may issue fractional certificates and may fix

the value for distribution of any specific assets and may determine that cash payments be made to any Member on the footing of the value so fixed and may vest any such cash, shares, debentures, debenture stock, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and, generally, may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debenture stock, bonds or other obligations and fractional certificates or otherwise as they may think fit. Subject to the provisions of the Act and these presents, in cases where some of the shares of the Company are fully-paid, and others are partly paid only such capitalization may be effected by the distribution of further shares in respect of the fully-paid shares, and by crediting the partly-paid shares, with the whole or part of the unpaid liability thereon but so that as between the holders of the fully-paid shares, and the partly-paid shares the sums so applied in the payment of such further shares and in the extinguishing or diminution of the liability on the partly-paid shares shall be so applied pro rata in proportion to the amount then already paid or credited as paid on the existing fully paid and partly-paid shares, respectively. When deemed requisite, a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the holders of the shares of the Company which shall have been issued prior to such capitalization and such appointment shall be effective.

### ACCOUNTS

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| Accounts   | 179. The Directors shall cause true accounts to be kept of: (a) all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place; (b) all sales and purchases of goods by the Company; and (c) the assets, credits and liabilities of the Company and, generally, of all its commercial, financial and other affairs, transactions and engagements and of all other matters, necessary showing the true financial state and condition of the Company, and the accounts shall be kept in English in such manner as the Directors may deem fit; and the books of accounts shall be kept at the Office or such other place or places in India as the Directors think fit, and shall be open to inspection by the Directors during business hours.  |
| Inspection of accounts and books of the Company by the Members   | 180. 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 of the Company or any of them shall be open to the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company, except as conferred by law or authorized by the Directors or any other appropriate authority.   |
| Statement of Accounts and Report to be furnished to General Meeting Balance Sheet to be served on every Member | 181. Once at least, in every calendar year, the Directors shall lay before the Company in Annual General Meeting a Profit and Loss Account for the period since the preceding account and a Balance Sheet containing a summary of the assets and liabilities of the Company made up to a date not more than six months before the Meeting or in case where an extension of time has been granted for holding the Meeting up to such extended time and every such Balance Sheet shall, as required by Section 217 of the Act, be accompanied by a Report (to be attached thereto) of the Directors as to the state and condition of the Company, and as to the amount (if any) which they recommend to be paid out of the profits by way of dividend and the amount (if any) set aside by them for the Reserve Fund, General Reserve or Reserve Account shown specifically in the Balance Sheet or to be shown specifically in a subsequent Balance Sheet.   |
| Form and contents of Balance Sheet and Profit and Loss Account   | 182. Every Balance Sheet and the Profit and Loss Account of the Company shall give a true and fair view of the state of affairs of the Company and shall, subject to the provisions of Section 211 of the Act, be in the Forms set out in Parts I and II, respectively, of Schedule VI of the Act, or as near thereto as circumstances admit.   |
| Authentication of Balance Sheet and other documents. Copies thereof to be sent to Members                      | 183. The Balance Sheet and the Profit and Loss Account shall be signed by two Directors, one of whom shall be Managing Director where there is one or when only one Director is for the time being in India by such Director and by the Manager or Secretary, if any. The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of the Article and before they are submitted to the Auditors for their report thereon. The Auditors' Report shall be attached to the Balance Sheet and the Profit and Loss Account (or there shall be inserted at the foot of the Balance Sheet and the Profit and Loss Account a reference to the Report) A copy of such Balance Sheet and the Profit and Loss Account, so audited, together with a copy of the Auditors' Report, shall, at least 21 days before the Meeting at which the same are to be laid before the Members of the Company, subject to the provisions of Section 219 of the Act, be sent to every Member of the Company and to every trustee for the Debenture Holders of whose address the Company is aware and a copy of the same shall be deposited at the Office for inspection by the Members of the Company during a period of at least 21 days before the Meeting. |

184. After the Balance Sheet and Profit and Loss Account have been laid before the Company at a General Meeting, three copies thereof signed by the Managing Director or Manager or Secretary or as required by Section 220 of the Act shall be filed with the Registrar together with the requisite Returns, in accordance with the requirements of Sections 159 and 161 of the Act. Copies of Balance Sheet and Profit and Loss Account and Auditors Report shall be filed with the registrar

### AUDIT

185. Once, at least, in every year, the accounts of the Company shall be balanced and audited and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more Auditor or Auditors. Accounts to be audited
186. (a) The Company, at each Annual General Meeting, shall appoint an Auditor or Auditors being a Chartered Accountant or Accountants to hold office from conclusion of that Meeting until the conclusion of next Annual General meeting. Appointment and qualification of Auditors
- (b) The appointment and the removal of the Auditors and the persons who may be appointed as Auditors shall be provided in Section 224, 224A, 225 and 226 of the Act.
- (c) No person other than a retiring Auditor shall be capable of being appointed to the office of Auditor at any Annual General Meeting unless Special Notice of a Resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than 14 days before the Meeting in accordance with Section 190 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall be complied with. The provisions of this sub-article shall also apply to a resolution that a retiring Auditor shall not be reappointed.
- (d) The audit of the branch office, if any, of the Company shall be by and in the manner provided by Section 228 of the Act.
187. The remuneration of the Auditors of the Company shall be fixed by the Company in the Annual General Meeting or by the Board of Directors, if so authorized by the Company in the Annual General Meeting, except that the remuneration of any Auditor appointed to fill any casual vacancy, may be fixed by the Directors and where his appointment has been made by the Central Government, pursuant to Article 187, it may be fixed by the Central Government. Remuneration of Auditors
188. Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors and the Auditors shall make a report to the Members on the Accounts examined by them, and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account which are laid before the Company in General Meeting during their tenure of office and the Report shall state whether in their opinion and to the best of their information and according to the explanations given to them the said Accounts give the information required by the Act in the manner so required and give a true and fair view: (i) in the case of the Balance Sheet, of the state of the Company's affairs as at the end of its financial year. (ii) in the case of the Profit and Loss Account, of the profit or loss for its financial year. The Auditors' Report shall also state: (a) whether they had obtained all the information and explanations which, to the best of their knowledge and belief, were necessary for the purpose of their audit, (b) whether, in their opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from the examination of those books and proper Returns adequate for the purpose of their audit have been received from the branches not visited by them; and (c) whether the Company's Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of accounts and Returns. Where any of the matters referred to in items (i) and (ii) or (a), (b) and (c) aforesaid is answered in the negative or with a qualification, the Auditors' Report shall state the reason for the same. The Auditors' report shall be attached to the Balance Sheet and Profit and Loss Account or set out at the foot thereof and such Report shall be read before the Company in General Meeting and shall be open to inspection by any Member of the Company. Auditors' powers and duties and their report
189. All notices of and other communications relating to, any General Meeting of a Company which any Member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company, and the Auditors shall be entitled to attend any General Meeting and to be heard at any General Meeting which they attend on any part of the business which concerns them as Auditor. Auditors' right to attend meeting
190. Every account when audited and approved by a General Meeting shall be conclusive, except as regards any error discovered therein within three months after the approval thereof. Whenever any such error is discovered within that period, the account shall forthwith be corrected and thenceforth shall be conclusive. Accounts when audited and approved to be conclusive except as to errors discovered within three months

## NOTICE

- Notice 191. (a) A notice (for the purposes of these presents shall be deemed to include and shall include any summons, notice, process, order, judgement or any other document in relation to or in the winding up of the Company) may be given by the Company to any Member either personally or by sending it by post to him to his registered address or, if he has no registered address in India, to the address, if any, within India supplied by him to the Company for the giving of notices to him.
- (b) Where a notice is sent by post, the service of such notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, provided that where a Member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses unless it is sent in manner intimated by the Member; and unless the contrary is proved, such service shall be deemed to have been effected in the case of a notice of a Meeting at the expiration of 48 hours after the letter containing the same is posted, and in any other case, at the time at which the letter would have been delivered in the ordinary course of post.
- Notice on Members having no registered address 192. If a Member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a notice advertised in a newspaper circulating in the neighborhood of the Office shall be deemed to be duly given to him on the day on which the advertisement appears.
- Notice on persons acquiring shares on death or insolvency of Member 193. A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a Member by sending it by post in pre-paid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.
- Persons entitled to notice of General Meeting 194. Notice of every General Meeting shall be given in some manner hereinafter authorized to; (a) every Members of the Company; (b) every person entitled to a share in consequence of the death or insolvency of a Member who, but for his death or insolvency would be entitled to receive notice of the meeting; and also (c) the Auditor or Auditors of the Company.
- Notice by Company and signature thereto 195. Any notice to be given by the Company shall be signed by the Director or by the Secretary (if any) or by such officer as the Directors may appoint. Such signature may be written, printed or lithographed.
- Transferee etc, bound by prior notices 196. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which previously to his name and address and title to the share being notified to the Company, shall have been duly given to the person from whom he derives his title of such share.
- Notice valid though Member deceased 197. Subject to the provisions of the Act, any notice given in pursuance of these presents or documents delivered or sent by post to or left at the registered address of any Member or at the address given by him under Article 192 in pursuance of these presents shall, notwithstanding such Member be then deceased and whether or not the Company have notice of his decease be deemed to have been duly served in respect of any registered share, whether held solely or jointly with any other persons by such member until some other person be registered in his stead as the holder or the joint holder thereof, and such service shall, for all purposes of these presents, be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such share.

## WINDING UP

- Distribution of assets 198. If the Company is wound up and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid-up at the commencement of the winding up, on the shares held by them, respectively. And, if in winding up, the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital, at the commencement of the winding up, paid up or which ought to have been paid up on the shares held by them, respectively. But this

Article is to be without prejudice to the right of the holders of shares issued upon special terms and conditions.

199. (a) If the Company shall be wound up whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution and any other sanction required by the Act, divide amongst the contributories in specie or kind, the whole or any part of the assets of the Company and may, with the like sanction, the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the Liquidators with the like sanction shall think fit. Distribution in specie or kind
- (b) if thought expedient, any such division may, subject to the provisions of the Act, be otherwise than is accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular, any class may be given preference or special rights or may be excluded altogether or in part; but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.
- (c) In case any share to be divided as aforesaid involves a liability to calls or otherwise, any person, entitled under such division to any of the said shares, may within 10 days after the passing of the Special Resolution by notice in writing direct the Liquidators to sell his proportion and pay him the net proceeds and the liquidators shall, if practicable, act accordingly.
200. A Special Resolution sanctioning a sale to any other company duly passed, pursuant to Section 494 of the Act, may in like manner as aforesaid determine that any share or other consideration receivable by the Liquidators be distributed amongst the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said Section. Right of Member in case of sale
201. No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which may be in the nature of a trade secret, mystery of trade or secret process which, may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will be inexpedient in the interest of the Members of the Company to communicate the same. Secrecy clause

#### INDEMNITY AND RESPONSIBILITY

- 202 (a) Every officer of the Company as defined by Section 2(30) of the said Act or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified out of the funds of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or discharged, or in connection with any application under Section 633 of the said Act in which relief is granted to him by the Court. Directors' and others 'right to idemnity
- (b) Subject to the provision of Section 201 of the said Act, every Director of the Company, Manager, Secretary, trustee, Auditor and other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay, all losses, costs, and expenses which any such person, officer, or servant may incur or become liable to by reason of any contract entered into or any act or thing done by him as such officer or servant, or in any way in or about the discharge of his duties, including travelling expenses.
- (c) Subject to the provisions of Section 201 of the said Act, no Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or servant or for joining in any receipts or other act for the sake of conformity merely, or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property acquired by the order of the Directors for or on behalf of the Company, or mortgaged to the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation to or with whom any moneys, securities, or effects of the Company shall be entrusted or deposited, or for any loss occasioned by any error of judgement, omission default or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

Sr. no.	Name of Subscriber and Signature	Address & Occupation	No. of Shares taken by each Subscriber	Witness
1.	Narayanan Vaghul S/o V. Narayanan Sd/- Chairman, ICICI	1301, Radhika Off Sayani Road, Prabhadevi, Mumbai 400025 Banker	100 (One Hundred)	Nilesh Trivedi C/o, ICICI Ltd. 163, Backbay Reclamation, Mumbai 400020 Occupation: Service
2.	Bhupendranath Bhargava S/o. Vidyanath Bhargava Sd/- Vice Chairman & Managing Director, ICICI	1201, Radhika, Off Sayani Road, Prabhadevi, Mumbai 400025 Business Executive	100 (One Hundred)	
3.	Doveton Jagnnathrao S/o. Doveton Balaji Rao Jagannathrao Sd/- Executive Director ICICI	A-61, Ocean Gold, Twin tower Lane, Prabhadevi, Mumbai 400025 Company Executive	100 (One Hundred)	
4.	Girish Sumanlal Mehta S/o. Sumanlal Mehta Sd/- General Manager ICICI	A-6, ICICI Apts., P. Balu Marg, Prabhadevi, Mumbai 400025 Company Executive	100 (One Hundred)	
5.	Lalita Dileep Gupte W/o Dileep Gupte Sd/- General Manager ICICI	153, C. Mhaskar Building, Opp. Ruia Building, Sir Balachander Rd., Matunga, Mumbai 400019 Banker	100 (One Hundred)	
6.	Shashikant Harilal Bhojani S/o Harilal Bhojani Sd/- Corporate Legal Advisor, ICICI	A-73, Ocean Gold, Twin Tower Lane, Prabhadevi, Mumbai 400025 Company Executive	100 (One Hundred)	
7.	Pervin Cawas Karai W/o. Cawas Karai Sd/- Assistant General Manager, ICICI	B-16, ICICI Apts., P. Balu Marg, Prabhadevi, Mumbai 400025 Company Officer	100 (One Hundred)	
			700 (Seven hundred Equity Shares)	

Dated this 16th day of September, 1993

## Schedule I

### **The Resolutions which has the effect of altering the Articles of Association pursuant to sub section 2 of Section 192 of Companies Act, 1956**

1. At the Extraordinary General Meeting of the Members held on Wednesday, February 17, 1999 at 3 p.m. at 163, Backbay Reclamation, Mumbai 400 020

RESOLVED that subject to the approval of the Central Government under Section 21 and other applicable provisions, if any of the Companies Act, 1956, the name of the Company be changed from "ICICI Investors' Services Limited" to "ICICI Infotech Services Limited" wherever it appears in the Memorandum and Articles of Association and in all other record of the Company be substituted by the name ICICI Infotech Services Limited.

2. At the Extraordinary General Meeting of the Members held on January 28, 2000 at 4 p.m. ICICI Towers, Bandra- Kurla Complex, Mumbai 400 051

RESOLVED that pursuant to Section 31 of Companies Act, 1956, the Articles of Association of the Company be altered as follows:

Article 5 of the Articles of Association be substituted by the following

The Capital of the Company is Rs.250,000,000 (Rupees two hundred and fifty million only) divided into 20,000,000 (twenty million) equity shares of Rs.5/- each and 15,000,000 (fifteen million) preference shares of Rs.10/- each.

3. At the Extraordinary General Meeting of the Members held on Thursday, September 14, 2000 at 4. p.m. at ICICI Towers, Bandra- Kurla Complex, Mumbai 400 051

RESOLVED that subject to the approvals, if and to the extent necessary, Articles 5 of the Articles of Association be substituted by the following:

"5. The Capital of the Company is Rs. 500,000,000 (Rupees five hundred million only) divided in to 70,000,000 (seventy million) Equity Shares of Rs. 5/- each and 15,000,000 (fifteen million) Preference Shares of Rs. 10/-each."

4. At the Extraordinary General Meeting of the Members held on Friday, March 22, 2002 at 11 p.m. at ICICI Towers, Bandra- Kurla Complex, Mumbai 400 051

RESOLVED that pursuant to Section 31 of Companies Act, 1956, and other applicable provisions, if any, the Articles of Association of the Company be altered as follows:

The existing Article 5 of the Articles of Association be substituted by the following new Article 5:

5. The Capital of the Company is Rs.2,000,000,000 (Rupees two billion only) divided into 100,000,000 (one hundred million) equity shares of Rs.5/- each and 300,000,000 (three hundred million) preference shares of Rs.5/- each.

5. At the Extraordinary General Meeting of the Members held on Thursday, March 28, 2002 at 11 a.m. at ICICI Towers, Bandra- Kurla Complex, Mumbai 400 051

RESOLVED that pursuant to Section 31 of Companies Act, 1956, any other applicable provisions, if any, and the Articles of Association of the Company be altered as follows:

The existing Article 72 of the Articles of Association be substituted by the following new Article 72:

"72. The Company may, from time to time by Special Resolution, reduce its share capital (including the Capital Redemption Reserve Account and Share Premium Account, if any) in any way authorised by law and, in particular, may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may, if and so far as necessary, alter its Memorandum and Articles of Association by reducing the amount of its share capital and of its shares accordingly."

6. At the Ninth Annual General Meeting of the members held on Monday, September 30, 2002 at 11 a.m. at 4th Floor, Board Room, Tower 5, International Infotech Park, Vashi, Navi Mumbai 400 705

RESOLVED that subject to the approval of Registrar of Companies, Maharashtra, pursuant to the provisions of Section 21 of Companies Act, 1956, and such other approvals as may be required in this regard, the name of the Company be changed from "ICICI Infotech Services Limited " to " ICICI Infotech Limited. "

RESOLVED that Articles of Association of the Company be amended in the following manner:

- a) The definition of "The Company" as appearing in Article 3 be substituted with the following:

"The Company" means ICICI Infotech Limited (formerly known as ICICI Infotech Services Limited).

- b) The definition of "ICICI" as appearing in Article 3 be substituted with the following:

"ICICI" means ICICI Venture Capital Fund, constituted as an irrevocable Trust under the Indian Trusts Act, 1882 (and

the relevant scheme(s) of such Fund) acting through its Fund Manager, ICICI Venture Funds Management Company Limited.

c) Article 202 of Articles of Association of the Company be substituted by the following new Article:

202(a) Every officer of the Company as defined by Section 2(30) of the said Act or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified out of the funds of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or discharged, or in connection with any application under Section 633 of the said Act in which relief is granted to him by the Court.

202(b) Subject to the provision of Section 201 of the said Act, every Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay, all losses, costs, and expenses which any such person, officer, or servant may incur or become liable to by reason of any contract entered into or any act or thing done by him as such officer or servant, or in any way in or about the discharge of his duties, including travelling expenses.

202 (c) Subject to the provisions of Sections 201 of the said Act, no Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or servant or for joining in any receipts or other act for the sake of conformity merely, or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property acquired by the order of the Directors for or on behalf of the Company, or mortgaged to the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation to or with whom any moneys, securities, or effects of the Company shall be entrusted or deposited, or for any loss occasioned by any error of judgement, omission default or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

7. At the Tenth Annual General Meeting of the Members held on Thursday, July 24, 2003 at 4.30 p.m. at Board Room, 4th floor, Tower # 5, International Infotech Park, Vashi, Navi Mumbai 400705.

RESOLVED THAT pursuant to Section 31 of Companies Act, 1956 and any other applicable provisions, if any, the Articles of Association of the Company be altered as follows:

The definition of "ICICI" as appearing in Article 3 be substituted with the following:

"ICICI" means ICICI Strategic Investments Fund acting through its Trustee Western India Trustee & Executor Co Ltd., and its investment manager ICICI Venture Funds Management Company Limited.

8. At the Extraordinary General Meeting of the Members held on Tuesday, January 18, 2005 at at 4.00 p.m. at H R Training Room, 4th floor, Tower # 5, International Infotech Park, Vashi, Navi Mumbai 400705.

**RESOLVED THAT** Articles of Association of the Company be amended in the following manner:

a) The definition of "The Company" as appearing in Article 3 be substituted with the following:

"The Company" means 3i Infotech Limited(formerly known as ICICI Infotech Limited).

b) The definition of "ICICI" as appearing in Article 3 be deleted.

c) The following definitions be inserted at the appropriate places in the existing Article 3.

"Member" means a person as defined by Section 41 of the Act.

"Beneficial Owner" means a person whose name is recorded as such with a Depository.

"Depository" means a Depository as defined under the Depositories Act.

"Depositories Act" means Depositories Act, 1996 and shall include any statutory modification thereto or re-enactment thereof.

"The Register and index of Members and Debenture holders " means the register and index of Members and debenture holders maintained by the Company under the Act and shall include the register of beneficial owners of shares and debentures maintained by a Depository."

d) Article 5 of the Articles of Association be substituted by the following:

"5. Rs. 2500,000,000 (Rupees Two and a half billion only) divided into 100,000,000 (One hundred million) equity shares of Rs. 10/- each and 300,000,000 (Three hundred million) preference shares of Rs. 5/- each."

e) The following proviso be inserted at the end of Article 9:

"Nothing contained in this Article shall apply to the shares of the Company dealt with in a Depository"

f) Article 11 of the Articles of Association be substituted by the following:

"11. Subject to the provisions of Section 81 and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such a persons, in such proportion and on such terms and conditions and either at premium or at a par or (subject to the compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit."

g) Article 12 of the Articles of Association be substituted by the following:

"12. The Directors may issue and allot shares in the capital of the Company as payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that the options or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General meeting."

h) The following proviso be inserted after Article 20:

"Provided that the shares of the Company may be bought back after complying with the provisions of sections 77A, 77AA and 77B of the Act."

i) Article 22 be substituted by the following:

"Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination, registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine), to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions for issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the Directors may prescribe or approve, provided that in respect of 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 of shares to one of several joint holders shall be sufficient delivery to all such holders.

Provided that notwithstanding anything contained in the Act or in these Articles, where the securities of the Company are dealt with in a Depository, the Company shall intimate the details of allotment of the relevant securities to the Depository on allotment of such securities. Provided further that where a person subscribing to securities offered by the Company opts to hold such securities with the Depository instead of receiving the certificate for them, the Company shall intimate such Depository the details of allotment of the securities."

j) The following paras be inserted after sub-clause (b) of Article 23:

"Every certificate under this Article shall be issued without payment of fees, if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulations or requirements of any stock exchange or rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company."

k) The following Heading and Article alongwith marginal notes be inserted as Article 24A after Article 24:

Company to recognise interest in dematerialised securities under the Depositories Act

24A. Dematerialisation of securities

Either the Company or the member /investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised pursuant to the Depositories Act in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto, shall be governed by the provisions of the Depositories Act.

Dematerialisation of Securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities, rematerialise its securities held in the Depositories and/or offer its fresh securities in a dematerialised form pursuant to the Depositories Act, and the rules

framed thereunder, if any.

Rights of  
Depositories and  
Beneficial Owners

- (a) Notwithstanding anything to the contrary contained in any other law or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, and notwithstanding anything contained in these Articles, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of a Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

Cancellation of  
certificates upon  
surrender by a  
person

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a depository participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities.

Option to opt out in  
respect of any  
security

If a beneficial owner seeks to opt out of a Depository in respect of any security, then the Company shall, in the manner and time prescribed in this behalf, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

Security

For the purpose of this Article and other Articles having reference to Depository or dematerialisation, security shall mean such security as may be specified by the Securities and Exchange Board of India for the purposes of the Depositories Act.

l) Article 32 be substituted by the following:

"The Directors may if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate to the member paying such sum and the Directors agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of this Article shall mutatis mutandis apply to debentures of the Company."

m) The following Proviso be inserted at the end of the existing Article 47:

"Provided that nothing contained in this Article shall apply to transfer of shares effected by the transferor and the transferee both of whom are beneficial owners in the records of a Depository."

n) The following Proviso be inserted at the end of the existing Article 48:

"Provided that nothing contained in this Article shall apply to transfer of shares effected by the transferor and the transferee both of whom are beneficial owners in the records of a Depository."

o) The following Proviso be inserted at end of the existing Article 57:

"Provided further that in case of nomination made by a holder or all joint holders of shares in the manner prescribed under the Act, then the Company shall notwithstanding anything contained in these Articles, recognise such nominee on the death of such holder or all such joint holders notwithstanding anything contained in any other law or in any disposition, testamentary or otherwise."

p) The following paras be inserted after sub-clause (a) of Article 53:

"When the transferee is already a member of the Company and transfer is refused, the Director shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of refusal to register such transfer. Transfer of shares/debentures in whatever lot shall not be refused."

q) Article 61 be substituted by the following:

"61. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document."

- r) Article 68 (a) (ii) be substituted by the following:

"The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined."

- s) The following para be inserted after Article 68 (a) (iii) :

"PROVIDED THAT the Directors may decline, without assigning any reason to allot shares to any person in whose favour any member may renounce the shares offered to him."

- t) The following para be inserted after sub-clause (c) of Article 68 :

"PROVIDED THAT the terms of issue of debentures or the terms of such loans include a term providing for such options and such terms:

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

- u) The following sub-clause (d) be inserted after sub-clause (c) Article 68:

"(d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such a manner and to such person(s) as they may think in their sole discretion, fit."

- v) Article 109 be substituted by the following:

A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member, by Resolution of its Board of Directors or other governing body authorize any such person as it thinks fit to act as its representative at any meeting of the Company in accordance with the provisions of Section 187 of the Act, and may vote on a show of hands as if he were a member of the Company. The production at the meeting of a copy of such Resolution duly signed by the secretary of such a body corporate or any other person authorised by it in that regard, and certified by the secretary or such person as the case may be, as being a true copy of the Resolution shall on production at the meeting, be accepted by the Company as sufficient evidence of the validity of his appointment.

- w) Article 123 be substituted by the following:

"123. Not more than one third of the total number of Directors shall be non-rotational Directors and, except for the Debenture Director, such non-rotational Directors (hereinafter referred to as Non-rotational Directors) shall be appointed by the Board of Directors of the Company. The remaining Directors shall be persons whose period of office shall be liable to determination by rotation and subject to the provisions of the Act shall be appointed by the Company in General Meeting."

- x) Clause (C) of Article 134 be deleted

- y) Sub-clause (ia) be added to Article 151(a) :

"(i)(a) The power to authorise buyback referred to in the first proviso to clause (b) of subsection (2) of Section 77A of the Act."

- z) Clause (b) of Article 151 be deleted.

- aa) Clause (b) of Article 162 be deleted.

- bb) Article 176 be substituted by the following:

"Subject to the provisions of Section 205A of the Act, if the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within seven days from the date of expiry of the said period of 30 days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days to a special account in that behalf in any Scheduled bank called the "Unpaid Dividend Account of 3i Infotech Limited".

Any money paid to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to Investor Education and Protection Fund established under Section 205C of the Act."

**RESOLVED further** that in the Articles of Association, wherever the name of the Company appears as ICICI Infotech Limited be replaced by 3i Infotech Limited or such other name as may be approved by the Registrar of Companies,

Maharashtra.

**RESOLVED further** that additional amendments as per the directions if any issued by Department of Company Affairs, SEBI, the Stock Exchanges, Central Listing Authority or any other authority be carried out in the Articles of Association for the purposes of listing of the securities of the Company on stock exchanges.

9. At the Thirteenth Annual General Meeting of the Members held on Thursday, July 20, 2006 at 3.30 p.m. at Arya Samaj Hall, Plot No. 6, Sector 9A, Vashi, Navi Mumbai 400 703.

**RESOLVED THAT** the Articles of Association of the Company be and are hereby altered by amending Article 5 as follows: The words and figures, "Rs. 2500,000,000 (Rupees two and half billion only) dividend into 100,000,000 (One hundred million) equity shares of Rs.10/- each and 300,000,000 (Three hundred million) preference shares of Rs. 5/- each" in Article 5 be substituted by the words and figures, "Rs/ 2500,000,000 (Rs. Two and half billion only) dividend into 150,000,000 (One hundred and fifty million) equity shares of Rs. 10/- each and 200,000,000 (Two hundred million) preference shares of Rs. 5/- each."

10. At fourteenth Annual General Meeting of the Members held on Wednesday, July 25, 2007 at 4.00 p.m. at Arya Samaj Hall, Plot No. 6, Sector 9A, Vashi, Navi Mumbai 400 703.

**RESOLVED THAT** the Articles of Association of the company be and are hereby altered by amending Article 5 as follows: The words and figures, "Rs. 2500,000,000 (Rupees two and half billion only) dividend into 150,000,000 (One hundred and fifty million) equity shares of Rs. 10/- each and 200,000,000 (Two hundred million) preference shares of Rs. 5/- each" in Article 5 be substituted by the words and figures, "Rs. 4,000,000,000 (Rupees Four billion only) divided into 300,000,000(Three hundred million) equity shares of Rs. 10/- each and 200,000,000 (Two hundred million) preference shares of Rs.5/- each."

11. At Sixteenth Annual General Meeting of the Members held on Tuesday, July 28, 2009 at 3.30 p.m. at Shri Saurashtra Patel Samaj Hall, Plot No.6, Sector – 2, Sanpada(E), Near Sanpada Railway Station, Navi Mumbai- 400 706.

**RESOLVED THAT** subject to the provisions of the Companies Act, 1956 and the relevant articles of the Articles of Association of the Company and such other approvals, if and to the extent necessary, the Articles of Association of the Company be amended in the following manner:

Article 123 of the Articles of Association be substituted by the following:

- "123.(a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Bank, Finance Corporation or Credit Corporation or to any other Finance Company or Body (hereinafter in this Article referred to as "the Lender") pursuant to the agreement signed for the financial assistance between the Company and the Lender, the Lender shall have a right to appoint from time to time any person or persons as a Director (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of Directors of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.
- (b) Nominee Director/s shall not be liable to retirement by rotation. Not more than one third of the total number of Directors shall be non-rotational Directors and, except for the Debenture Director and Nominee Director, such non-rotational Directors (hereinafter referred to as Non-rotational Directors) shall be appointed by the Board of Directors of the Company. The remaining Directors shall be persons whose period of office shall be liable to determination by rotation and subject to the provisions of the Act shall be appointed by the Company in General Meeting.
- (c) Any appointment or removal of Nominee Director shall be by a notice in writing addressed to the Company and the appointment or removal shall take effect forthwith upon such notice being delivered to the Company.
- (d) The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Lender or so long as the Lender holds debentures in the Company or the liability of the Company arising out of any guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately when the moneys owing by the Company to the Lender is paid off or on the Lender ceasing to hold debentures in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Lender.
- (e) The Board of Directors of the Company shall have no power to remove from office any Nominee Director/s. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings.
- (f) The Company shall pay to the Nominee Director/s, sitting fees and expenses which the other Directors of the Company are entitled to but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Lender and same shall accordingly be paid by the Company directly to the Lender. Any expenses that may be incurred by the Lender or by such nominee Director/s in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Lender or as the case may be to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Lender, the sitting fee in relation to such Nominee Director/s shall accrue to the Lender and the same shall accordingly be paid by the Company directly to the Lender."

**RESOLVED FURTHER THAT** the existing Articles of Association of the Company, duly modified as aforesaid, or as suggested by any appropriate authority and accepted by the Board, be adopted as the Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps, to give all such directions, to do all such deeds, matters and things as may be necessary to give effect to the aforesaid Resolution as the Board may, in its absolute discretion, deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to give effect to the aforesaid Resolutions.

12. Result of the Postal Ballot declared by the Chairman on January 30, 2012:

**Amendment to the Articles of Association of the Company**

**RESOLVED** that the Articles of Association of the Company be and are hereby amended by amending Article 5 in the following manner:

The words and figures "₹4,000,000,000 (Rupees four billion only) divided into 300,000,000 (Three Hundred Million) equity shares of ₹10/- each and 200,000,000 (Two Hundred Million) preference shares of ₹5/- each" in Article 5 be substituted by the word and figures of "₹550,00,00,000 (Rupees Five Hundred and Fifty Crores only) divided into 45,00,00,000 (Forty Five Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each."

13. Result of the Postal Ballot declared by the Chairman on May 31, 2012:

**Amendment to the Articles of Association of the Company**

**RESOLVED** that pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and subject to any other laws and regulations, as may be applicable, existing Article 5 of the Articles of Association of the Company be substituted by the following new Article 5:

5. The authorised capital of the Company is ₹1200,00,00,000 (Rupees One Thousand Two Hundred Crore only) divided into 110,00,00,000 (One Hundred and Ten Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each.

14. Result of the Postal Ballot declared on March 18, 2016:

**Amendment to the Articles of Association of the Company**

**RESOLVED** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, applicable rules notified by the Central Government under the Companies Act and subject to any other laws and regulations, as may be applicable, existing Article 5 of the Articles of Association of the Company be substituted by the following new Article 5:

The authorised capital of the Company is ₹ 2955 Crores (Rupees Two Thousand Nine Hundred Fifty Five Crores only) divided into 200 Crore (Two Hundred Crore ) equity shares of ₹ 10/- each, 20 Crore (Twenty Crore) preference shares of ₹ 5/- each (called Class A Preference Shares), 150 Crore (One Hundred and Fifty Crore) preference shares of ₹ 5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹ 1/- each (called Class C Preference Shares)."

15. Result of the Postal Ballot declared on May 13, 2016:

**Amendment to the Articles of Association of the Company**

"RESOLVED THAT pursuant to the provisions of section 14 and other applicable provisions, if any, of the Companies Act, 2013, as amended (the "Companies Act") applicable rules notified by the Central Government under the Companies Act and subject to any other laws and regulations, as may be applicable, the existing Article 5 of the Articles of Association of the Company be substituted by the following new Article 5:

"5. The authorised capital of the Company is ₹ 3,155 crores (Rupees three thousand one hundred fifty five crores only) divided into 220 crore (two hundred and twenty crore) equity shares of ₹10 each, 20 crore (twenty crore) preference shares of ₹ 5 each (called Class A preference shares), 150 crore (one hundred fifty crore) preference shares of ₹5 each (called Class B preference shares) and 105 Crore (one hundred five crore) preference shares of ₹1 each (called Class C preference shares)."

Schedule II  
Amendment to the Memorandum of Association

Date of the Meeting	Nature of amendment
17/02/1999	<p><u>Change of objects:</u>By insertion of the new object clauses and replacing the main object clauses numbered as 2 to 13 after the existing clause 1; by shifting three clauses from other objects to main objects and numbered as 14, 15 &amp; 16; and, insertion of five clauses after objects incidental and ancillary to the attainment of the main objects and numbered as 28 to 32.</p> <p><u>Change of name:</u> By deleting clause I and replacing it with the following: The name of the Company is ICICI Infotech Services Limited.</p>
28/01/2000	<p><u>Sub-division of Equity shares and increase in Authorised Share Capital:</u> By amending Clause V in the following manner: The words and figures “Rs.50,000,000 (Rupees fifty million only) divided in to 5,000,000 shares of Rs.10/- each” be substituted by the word and figures Rs.250,000,000 (Rupees two hundred and fifty million only) consisting of 20,000,000 (twenty million) Equity Shares of Rs.5/- each and 15,000,000 (fifteen million) Preference Shares of Rs. 10/- each.</p>
14/09/2000	<p><u>Increase in Authorised Share Capital:</u> By amending Clause V in the following manner: The words and figures “Rs.250,000,000 (Rupees two hundred and fifty million only) divided in to 20,000,000 (twenty million) Equity Shares of Rs.5/- each and 15,000,000 (fifteen million) Preference Shares of Rs.10/- each” be substituted by the word and figures Rs.500,000,000 (Rupees five hundred million only) divided in to 70,000,000 (seventy million) Equity Shares of Rs.5/- each and 15,000,000 (fifteen million) Preference Shares of Rs.10/- each.</p>
22/03/2002	<p><u>Sub-division of Preference shares and increase in Authorised Share Capital:</u> By amending Clause V in the following manner: The words and figures “Rs.500,000,000 (Rupees five hundred million only) divided into 70,000,000 (seventy million) equity shares of Rs.5/- each and 15,000,000 (fifteen million) preference shares of Rs.10/- each” be substituted by the word and figures Rs.2,000,000,000 (Rupees two billion only) divided into 100,000,000 (one hundred million) equity shares of Rs.5/- each and 300,000,000 (three hundred million) preference shares of Rs.5/- each.</p>
30/09/2002	<p><u>Change of name:</u> By deleting clause I and replacing it with the following: The name of the Company is ICICI Infotech Limited.</p>
18/01/2005	<p><u>Change of name:</u> By deleting clause I and replacing it with the following: The name of the Company is 3i Infotech Limited.</p>
18/01/2005	<p><u>Consolidation of Equity shares and increase in Authorised Share Capital:</u> By amending Clause V in the following manner: The words and figures “Rs. 2000,000,000 (Rupees Two billion only) divided into 100,000,000 (One hundred million) equity shares of Rs. 5/- each and 300,000,000 (Three hundred million) preference shares of Rs. 5/- each” be substituted by the word and figures “Rs. 2500,000,000 (Rupees Two and a half billion only) divided into 100,000,000 (One hundred million) equity shares of Rs. 10/- each and 300,000,000 (Three hundred million) preference shares of Rs. 5/- each. “</p>
20/07/2006	<p><u>Change in the Authorised Share Capital:</u> By amending Clause V in the following manner : The words and figures, “Rs. 2500,000,000 (Rupees two and half billion only) dividend into 100,000,000 (One hundred million) equity shares of Rs. 10/- each and 300,000,000 (three hundred million) preference shares of Rs. 5/- each” in Clause V be substituted by the words and figures, “2500,000,000 (Rupees Two and half billion only) divided into 150,000,000 (One hundred and fifty million) equity shares of Rs. 10/- each and 200,000,000 (Two hundred million) preference shares of Rs. 5/- each.”</p>
25/07/2007	<p><u>Change in the Authorised Share Capital:</u> By amending clause V in the following manner: The words and figures, “Rs. 2500,000,000 (Rupees Two and half billion only) divided into 150,000,000 (One hundred and fifty million) equity shares of Rs. 10/- each and 200,000,000 (Two hundred million) preference shares of Rs. 5/- each” in Clause V be substituted by the words and figures, “Rs. 4,000,000,000 (Rupees Four billion only) divided into 300,000,000 (Three hundred million) equity shares of Rs. 10/- each and 200,000,000 (Two hundred million) preference shares of Rs. 5/- each”</p>
21/07/2008	<p><u>Change of objects:</u> By amending subclauses 1,2,6,7,12 and by consolidating subclauses 3,13,15 to 3,4,5 to 4, 10, 11 to 9 and 8, 14, 16 to 7 of the main objects and insertion of sub clauses of 2 to 7 after clause 1 to other Objects Clauses</p>

30/01/2012	<p><u>Change in the Authorised Share Capital:</u> By amending Clause V as follows:</p> <p>The words and figures “₹4,000,000,000 (Rupees four billion only) divided into 300,000,000 (Three Hundred Million) equity shares of ₹10/- each and 200,000,000 (Two Hundred Million) preference shares of ₹5/- each” in Clause V be substituted by the words and figures of “₹550,00,00,000 (Rupees Five Hundred and Fifty Crores only) divided into 45,00,00,000 (Forty Five Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each.”</p>
31/05/2012	<p><u>Change in the Authorised Share Capital:</u> By amending Clause V as follows:</p> <p>The words and figures “₹550,00,00,000 (Rupees Five Hundred and Fifty Crores only) divided into 45,00,00,000 (Forty Five Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each” in Article 5 be substituted by the word and figures of “₹1200,00,00,000 (Rupees One Thousand Two Hundred Crore only) divided into 110,00,00,000 (One Hundred and Ten Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each.”</p>
18/03/2016	<p><u>Change in the Authorised Share Capital:</u> By amending Clause V as follows:</p> <p>The words and figures “₹1200,00,00,000 ((Rupees One Thousand Two Hundred Crore only) divided into 110,00,00,000 (One Hundred and Ten Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each” in Clause V be substituted by the words and figures of ₹2955 Crores (Rupees Two Thousand Nine Hundred Fifty Five Crores only) divided into 200 Crore (Two Hundred Crore) equity shares of ₹10/- each, 20 Crore (Twenty Crore) preference shares of ₹5/- each (called Class A Preference Shares), 150 Crore (One Hundred Fifty Crore) preference shares of ₹ 5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹1/- each (called Class C Preference Shares).”</p>
13/05/2016	<p><u>Change in the Authorised Share Capital:</u> By amending Clause V as follows:</p> <p>The words and figures “₹2955,00,00,000 ((Rupees Two Thousand Nine Hundred Fifty Five Crores only) divided into 200 Crore (Two Hundred Crore) equity shares of ₹10/- each, 20 Crore (Twenty Crore) preference shares of ₹5/- each (called Class A Preference Shares), 150 Crore (One Hundred Fifty Crore) preference shares of ₹ 5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹1/- each (called Class C Preference Shares) in Clause V be substituted by the words and figures of ₹3,155 Crores (Rupees Three Thousand One Hundred Fifty Five Crores only) divided into 220 Crore (Two Hundred Twenty Crore) equity shares of ₹10/- each, 20 Crore (Twenty Crore) preference shares of ₹5/- each (called Class A Preference Shares), 150 Crore (One Hundred Fifty Crore) preference shares of ₹ 5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹1/- each (called Class C Preference Shares).”</p>

Schedule III

Amendment to the Articles of Association

Date of the Meeting	Nature of amendment
17/02/1999	Change of name: By insertion of new name ICICI Infotech Services Limited in place of ICICI Investors' Services Limited wherever it appears.
28/01/2000	Sub-division of Equity shares and increase in Authorised Share Capital: By deleting Article 5 and replacing it with the following: 5. The Capital of the Company is Rs.250,000,000 (Rupees two hundred and fifty million only) divided into 20,000,000 (twenty million) equity shares of Rs.5/- each and 15,000,000 (fifteen million) preference shares of Rs.10/- each.
14/09/2000	Increase in Authorised Share Capital: By deleting Article 5 and replacing it with the following: 5. The Capital of the Company is Rs.500,000,000 (Rupees five hundred million only) divided into 70,000,000 (seventy million) equity shares of Rs.5/- each and 15,000,000 (fifteen million) preference shares of Rs.10/- each.
22/03/2002	Sub-division of Preference shares and increase in Authorised Share Capital: By deleting Article 5 and replacing it with the following: 5. The Capital of the Company is Rs.2,000,000,000 (Rupees two billion only) divided into 100,000,000 (one hundred million) equity shares of Rs.5/- each and 300,000,000 (three hundred million) preference shares of Rs.5/- each.
28/03/2002	Utilisation of Capital Redemption Reserve and Share Premium Account: By deleting Article 72 and replacing the following: 72. The Company may, from time to time by Special Resolution, reduce its share capital (including the Capital Redemption Reserve Account and Share Premium Account, if any) in any way authorised by law and, in particular, may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may, if and so far as necessary, alter its Memorandum and Articles of Association by reducing the amount of its share capital and of its shares accordingly.
30/09/2002	Amendment to Definitions: By deleting and replacing the definitions in Article 3 as follows: a) The definition of "The Company" as appearing in Article 3 be substituted with the following: "The Company" means ICICI Infotech Limited (formerly known as ICICI Infotech Services Limited). b) The definition of "ICICI" as appearing in Article 3 be substituted with the following: "ICICI" means ICICI Venture Capital Fund, constituted as an irrevocable Trust under the Indian Trusts Act, 1882 (and the relevant scheme(s) of such Fund) acting through its Fund Manager, ICICI Venture Funds Management Company Limited. Amendment of Directors' and others' right to indemnify: By deleting Article 202 and replacing the following: 202 (a) Every officer of the Company as defined by Section 2(30) of the said Act or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified out of the funds of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or discharged, or in connection with any application under Section 633 of the said Act in which relief is granted to him by the Court. 202 (b) Subject to the provision of Section 201 of the said Act, every Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay, all losses, costs, and expenses which any such person, officer, or servant may incur or become liable to by reason of any contract entered into or any act or thing done by him as such officer or servant, or in any way in or about the discharge of his duties, including travelling expenses. 202 (c) Subject to the provisions of Sections 201 of the said Act, no Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or servant or for joining in any receipts or other act for the sake of conformity merely, or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property

	acquired by the order of the Directors for or on behalf of the Company, or mortgaged to the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation to or with whom any moneys, securities, or effects of the Company shall be entrusted or deposited, or for any loss occasioned by any error of judgment, omission default or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.
24/07/2003	<u>Amendment to Definitions: By deleting and replacing the definitions in Article 3 as follows: The definition of "ICICI" as appearing in Article 3 be substituted with the following: "ICI CI" means ICICI Strategic Investments Fund acting through its Trustee Western India Trustee &amp; Executor Co Ltd., and its investment manager ICICI Venture Funds Management Company Limited.</u>
18/01/2005	<p>a) The definition of "The Company" as appearing in Article 3 be substituted with the following: "The Company" means 3i Infotech Limited (formerly known as ICICI Infotech Limited).</p> <p>b) The definition of "ICICI" as appearing in Article 3 be deleted.</p> <p>c) The following definitions be inserted at the appropriate places in the existing Article 3. "Member" means a person as defined by Section 41 of the Act.</p> <p>"Beneficial Owner" means a person whose name is recorded as such with a Depository.</p> <p>"Depository" means a Depository as defined under the Depositories Act.</p> <p>"Depositories Act" means Depositories Act, 1996 and shall include any statutory modification thereto or re-enactment thereof.</p> <p>"The Register and index of Members and Debenture holders" means the register and index of Members and debenture holders maintained by the Company under the Act and shall include the register of beneficial owners of shares and debentures maintained by a Depository.</p> <p>d) Article 5 of the Articles of Association be substituted by the following:</p> <p>"5. Rs. 2500,000,000 (Rupees Two and a half billion only) divided into 100,000,000 (One hundred million) equity shares of Rs. 10/- each and 300,000,000 (Three hundred million) preference shares of Rs. 5/- each."</p> <p>e) The following proviso be inserted at the end of Article 9:</p> <p>"Nothing contained in this Article shall apply to the shares of the Company dealt with in a Depository"</p> <p>f) Article 11 of the Articles of Association be substituted by the following:</p> <p>"11. Subject to the provisions of Section 81 and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose off the same or any of them to such a persons, in such proportion and on such terms and conditions and either at premium or at a par or (subject to the compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit."</p> <p>g) Article 12 of the Articles of Association be substituted by the following:</p> <p>"12. The Directors may issue and allot shares in the capital of the Company as payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that the options or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General meeting."</p> <p>h) The following proviso be inserted after Article 20:</p> <p>"Provided that the shares of the Company may be bought back after complying with the provisions of sections 77A, 77AA and 77B of the Act."</p> <p>i) Article 22 be substituted by the following:</p> <p>"Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination, registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine), to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions for issue thereof otherwise provide, or within one month of the receipt</p>

of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the Directors may prescribe or approve, provided that in respect of 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 of shares to one of several joint holders shall be sufficient delivery to all such holders. Provided that notwithstanding anything contained in the Act or in these Articles, where the securities of the Company are dealt with in a Depository, the Company shall intimate the details of allotment of the relevant securities to the Depository on allotment of such securities. Provided further that where a person subscribing to securities offered by the Company opts to hold such securities with the Depository instead of receiving the certificate for them, the Company shall intimate such Depository the details of allotment of the securities."

j) The following paras be inserted after sub-clause (b) of Article 23:

"Every certificate under this Article shall be issued without payment of fees, if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulations or requirements of any stock exchange or rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company."

k) The following Heading and Article alongwith marginal notes be inserted as Article 24A after Article 24:

#### 24A. Dematerialisation of securities

Company to recognise interest in dematerialised securities under the Depositories Act

Either the Company or the member /investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised pursuant to the Depositories Act in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto, shall be governed by the provisions of the Depositories Act.

Dematerialisation of Securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities, rematerialise its securities held in the Depositories and/or offer its fresh securities in a dematerialised form pursuant to the Depositories Act, and the rules framed thereunder, if any.

Rights of Depositories and Beneficial Owners

- (a) Notwithstanding anything to the contrary contained in any other law or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, and notwithstanding anything contained in these Articles, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of a Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

Cancellation of certificates upon surrender by a person

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a depository participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities.

Option to opt out in respect of any security

If a beneficial owner seeks to opt out of a Depository in respect of any security, then the Company shall, in the manner and time prescribed in this behalf, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

Security

For the purpose of this Article and other Articles having reference to Depository or dematerialisation, security shall mean such security as may be specified by the Securities and Exchange Board of India for the purposes of the Depositories Act.

- l) Article 32 be substituted by the following:  
"The Directors may if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate to the member paying such sum and the Directors agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of this Article shall mutatis mutandis apply to debentures of the Company."
- m) The following Proviso be inserted at the end of the existing Article 47:  
"Provided that nothing contained in this Article shall apply to transfer of shares effected by the transferor and the transferee both of whom are beneficial owners in the records of a Depository."
- n) The following Proviso be inserted at the end of the existing Article 48:  
"Provided that nothing contained in this Article shall apply to transfer of shares effected by the transferor and the transferee both of whom are beneficial owners in the records of a Depository."
- o) The following Proviso be inserted at end of the existing Article 57:  
"Provided further that in case of nomination made by a holder or all joint holders of shares in the manner prescribed under the Act, then the Company shall notwithstanding anything contained in these Articles, recognise such nominee on the death of such holder or all such joint holders notwithstanding anything contained in any other law or in any disposition, testamentary or otherwise."
- p) The following paras be inserted after sub-clause (a) of Article 53:  
"When the transferee is already a member of the Company and transfer is refused, the Director shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of refusal to register such transfer. Transfer of shares/debentures in whatever lot shall not be refused."
- q) Article 61 be substituted by the following: "61. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document."
- r) Article 68 (a) (ii) be substituted by the following:  
"The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined."
- s) The following para be inserted after Article 68 (a) (iii) :  
"PROVIDED THAT the Directors may decline, without assigning any reason to allot shares to any person in whose favour any member may renounce the shared offered to him."
- t) The following para be inserted after sub-clause (c) of Article 68 :  
"PROVIDED THAT the terms of issue of debentures or the terms of such loans include a term providing for such options and such terms:  
a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by the Government on this behalf; and  
b) In the case of debentures or loans other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in General Meeting before the issue of the debentures or raising of the loans."
- u) The following sub-clause (d) be inserted after sub-clause (c) Article 68:

	<p>"(d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such a manner and to such person(s) as they may think in their sole discretion, fit."</p> <p>v) Article 109 be substituted by the following:</p> <p>A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member, by Resolution of its Board of Directors or other governing body authorize any such person as it thinks fit to act as its representative at any meeting of the Company in accordance with the provisions of Section 187 of the Act, and may vote on a show of hands as if he were a member of the Company. The production at the meeting of a copy of such Resolution duly signed by the secretary of such a body corporate or any other person authorised by it in that regard, and certified by the secretary or such person as the case may be, as being a true copy of the Resolution shall on production at the meeting, be accepted by the Company as sufficient evidence of the validity of his appointment.</p> <p>w) Article 123 be substituted by the following:</p> <p>"123. Not more than one third of the total number of Directors shall be non-rotational Directors and, except for the Debenture Director, such non-rotational Directors (hereinafter referred to as Non-rotational Directors) shall be appointed by the Board of Directors of the Company. The remaining Directors shall be persons whose period of office shall be liable to determination by rotation and subject to the provisions of the Act shall be appointed by the Company in General Meeting."</p> <p>x) Clause (C) of Article 134 be deleted.</p> <p>y) Sub-clause (ia) be added to Article 151(a) :</p> <p>"(i)(a) The power to authorise buyback referred to in the first proviso to clause (b) of subsection (2) of Section 77A of the Act."</p> <p>z) Clause (b) of Article 151 be deleted.</p> <p>aa) Clause (b) of Article 162 be deleted.</p> <p>bb) Article 176 be substituted by the following:</p> <p>"Subject to the provisions of Section 205A of the Act, if the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within seven days from the date of expiry of the said period of 30 days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days to a special account in that behalf in any Scheduled bank called the "Unpaid Dividend Account of 3i Infotech Limited".</p> <p>Any money paid to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to Investor Education and Protection Fund established under Section 205C of the Act."</p>
20/07/2006	<p>Change in the Authorised Share Capital: "By amending Article 5 in the following manner:</p> <p>Two words and figures, "Rs. 25000,000,000 (Rupees Two and half billion only) divided into 1000,000,000 (One hundred million) equity shares of Rs. 10/- each and 300,000,000 (Three hundred million) preference shares of Rs. 5/- each" in Article 5 be substituted by the words and figures, "Rs. 2500,000,000 (Rupees Two and half billion only) divided into 150,000,000 (One hundred and fifty million) equity shares of Rs. 10/- each and 200,000,000 (Two hundred million) preference shares of Rs. 5/- each."</p>
25/07/2007	<p>Change in the Authorised Share Capital: By amending Article 5 in the following manner:</p> <p>The words and figures, "Rs. 2500,000,000 (Rupees Two and half billion only) divided into 150,000,000 (One hundred and fifty million) equity shares of Rs. 10/- each and 200,000,000 (Two hundred million) preference shares of Rs. 5/- each." in Article 5 be substituted by the words and figures, "Rs. 4,000,000,000 (Rupees Four billion only) divided into 300,000,000 (Three hundred million) equity shares of Rs. 10/- each and 200,000,000 (Two hundred million) preference shares of Rs. 5/- each."</p>

28/07/2009	<p><b>Enabling the Lenders to appoint Nominee Director:</b> Article 123 be substituted by the following:</p> <p>123.(a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Bank, Finance Corporation or Credit Corporation or to any other Finance Company or Body (hereinafter in this Article referred to as "the Lender") pursuant to the agreement signed for the financial assistance between the Company and the Lender, the Lender shall have a right to appoint from time to time any person or persons as a Director (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of Directors of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.</p> <p>(b) Nominee Director/s shall not be liable to retirement by rotation. Not more than one third of the total number of Directors shall be non- rotational Directors and, except for the Debenture Director and Nominee Director, such non-rotational Directors (hereinafter referred to as Non-rotational Directors) shall be appointed by the Board of Directors of the Company. The remaining Directors shall be persons whose period of office shall be liable to determination by rotation and subject to the provisions of the Act shall be appointed by the Company in General Meeting.</p> <p>(c) Any appointment or removal of Nominee Director shall be by a notice in writing addressed to the Company and the appointment or removal shall take effect forthwith upon such notice being delivered to the Company.</p> <p>(d) The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Lender or so long as the Lender holds debentures in the Company or the liability of the Company arising out of any guarantee is outstanding and Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately when the moneys owing by the Company to the Lender is paid off or on the Lender ceasing to hold debentures in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Lender.</p> <p>(e) The Board of Directors of the Company shall have no power to remove from office any Nominee Director/s. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings.</p> <p>(f) The Company shall pay to the Nominee Director/s, sitting fees and expenses which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Lender and same shall accordingly be paid by the Company directly to the Lender. Any expenses that may be incurred by the Lender or by such nominee Director/s in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Lender or as the case may be to such Nominee Director/s.</p> <p>Provided that if any such Nominee Director/s is an officer of the Lender, the sitting fee in relation to such Nominee Director/s shall accrue to the Lender and the same shall accordingly be paid by the Company directly to the Lender."</p>
30/01/2012	<p><b>Change in the Authorised Share Capital:</b> By amending Article 5 in the following manner: The words and figures "₹4,000,000,000 (Rupees four billion only) divided into 300,000,000 (Three Hundred Million) equity shares of ₹10/- each and 200,000,000 (Two Hundred Million) preference shares of ₹5/- each" in Article 5 be substituted by the word and figures of "₹550,00,00,000 (Rupees Five Hundred and Fifty Crores only) divided into 45,00,00,000 (Forty Five Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each."</p>
31/05/2012	<p><b>Change in the Authorised Share Capital:</b> By amending Article 5 in the following manner: The words and figures "₹550,00,00,000 (Rupees Five Hundred and Fifty Crores only) divided into 45,00,00,000 (Forty Five Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each" in Article 5 be substituted by the word and figures of "₹1200,00,00,000 (Rupees One Thousand Two Hundred Crore only) divided into 110,00,00,000 (One Hundred and Ten Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each."</p>
18/03/2016	<p><b>Change in the Authorised Share Capital:</b> By amending Article 5 in the following manner: The words and figures "₹1200,00,00,000 ((Rupees One Thousand Two Hundred Crore only) divided into 110,00,00,000 (One Hundred and Ten Crore) equity shares of ₹10/- each and 20,00,00,000 (Twenty Crore) preference shares of ₹5/- each" in Clause V be substituted by the words and figures of ₹2955 Crores (Rupees Two Thousand Nine Hundred Fifty Five Crores only) divided into 200 Crore (Two Hundred Crore) equity shares of ₹10/- each, 20 Crore (Twenty Crore) preference shares of ₹5/- each (called Class A Preference Shares), 150 Crore (One Hundred Fifty Crore) preference shares of ₹ 5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹1/- each (called Class C Preference Shares)."</p>
13/05/2016	<p><b>Change in the Authorised Share Capital:</b> By amending Article 5 in the following manner: The words and figures "₹2955,00,00,000 ((Rupees Two Thousand Nine Hundred Fifty Five Crores only) divided into 200 Crore (Two Hundred Crore) equity shares of ₹10/- each, 20 Crore (Twenty Crore) preference shares of ₹5/- each (called Class A Preference Shares), 150 Crore (One Hundred Fifty Crore) preference shares of ₹ 5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹1/- each (called Class C Preference Shares) in Clause V be substituted by the words and figures of ₹3,155 Crores (Rupees Three Thousand One Hundred Fifty Five Crores only) divided into 220 Crore (Two Hundred Twenty Crore) equity shares of ₹10/- each, 20 Crore (Twenty Crore) preference shares of ₹5/- each (called Class A Preference Shares), 150 Crore (One Hundred Fifty Crore) preference shares of ₹ 5/- each (called Class B Preference Shares) and 105 Crore (One Hundred Five Crore) preference shares of ₹1/- each (called Class C Preference Shares)."</p>

**Schedule - IV**  
**Orders from Court and other Authorities**

ORDINARY ORIGINAL CIVIL JURISDICTION COMPANY PETITION NO. 112 OF 2001  
CONNECTED WITH COMPANY APPLICATION NO. 6 OF 2001

In the matter of Sections 391 to 394 of the Companies Act, 1956 ( Act 1 of 1956);

And

In the matter of the Scheme of Amalgamation of Ajax Software Solutions Limited with ICICI Infotech Services Limited;

And

In the matter of ICICI Infotech Services Limited, a Company incorporated under the Companies Act, 1956 (Act 1 of 1956), having its registered office at Zenith House, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034.

ICICI Infotech Services Limited , a Company incorporated under the Companies Act, 1956 (Act 1 of 1956), having its Registered office at Zenith House, Keshavrao Khadye Marg,)

Mahalaxmi, Mumbai 400 034.

)...

Petitioners

CORAM : Dr. D. Y. Chandrachud J.

Date : 14<sup>th</sup> March, 2001

Upon the Petition of ICICI Infotech Services Limited, the Petitioner Company abovenamed, presented to this Hon'ble Court on the 22<sup>nd</sup> day of January 2001 for sanction of the Scheme of Amalgamation of Ajax Software Solutions Limited (hereinafter referred to as the "Transferor Company") with ICICI Infotech Services Limited (hereinafter referred to as the "Petitioner Company" or "Transferee Company") and for other consequential reliefs as mentioned in petition AND the said Petition being this day called on for hearing and final disposal AND UPON READING the Petition and the Affidavit of Debneel Mukherjee, the Chief Financial Officer of the Petitioner Company dated 22<sup>nd</sup> day of January 2001 verifying the said Petition AND UPON READING the Affidavit of Debneel Mukherjee dated the 13<sup>th</sup> day of February 2001, proving publication of the notice of the date of hearing of the Petition in the issues of "Free Press Journal" and "Navshakti" both dated 30<sup>th</sup> day of January 2001 and proving dispatch of notices under certificate of posting to the individual unsecured creditors, AND UPON READING the Affidavit of Mr. Bhiku Bargode clerk in the office of Advocates for the Petitioner Company dated 13<sup>th</sup> February 2001 proving service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the Order dated 12<sup>th</sup> day of January 2001 made by this Hon'ble Court in Company Application No. 6 of 2001 whereby the holding of the meetings of equity share holders except one equity shareholder and unsecured creditors of the Petitioner Company were dispensed with in view of the consent in writing given by all the equity shareholders except one equity shareholder annexed as Exhibit 'D-1' to 'D-7' and consent given by one unsecured creditor amounting to 98.58% of the aggregate value of the unsecured creditors annexed as Exhibit 'E', to the affidavit in support of the said Company Application No. 6 of 2001 and in view of undertaking given by the petitioner Company to give individual notice of the hearing of the Petition to the remaining unsecured creditors and in view of the averment made in para 17 of the Affidavit in support of the Company Application No. 6 of 2001 stating that the Petitioner Company had no secured creditors as on the date of the said Affidavit dated 10<sup>th</sup> day of January 2001 AND UPON HEARING Ms. Bandookwala, Counsel instructed by M/s. Udawadia, Udeshi, & Berjis Advocates for the Petitioner Company and Mr. C.J. Joy, Panel Counsel instructed by Mr. R. P. Singh, Company Prosecutor for Regional Director, Department of Company Affairs, Maharashtra, Mumbai who submits to the Order of the Court and no other person or persons entitled to appear at the hearing of the said Petition appearing this day either in support of the said Petition or to show cause against the said Petition THIS COURT DOTH HEREBY SANCTION the Scheme of Amalgamation of Ajax Software Solutions Limited, the Transferor Company, with ICICI Infotech Services Limited, the Transferee Company, as set forth in Exhibit "C" to the said Petition and also in the Schedule hereto annexed AND THIS COURT DOTH HEREBY DECLARE the same to be binding on the Petitioner Company and its shareholders and creditors AND THIS COURT DOTH ORDER that with effect from 1<sup>st</sup> day of April, 2000 (hereinafter referred to as "the Appointed Date") the whole business, undertaking and property of the Transferor Company specified in the Scheme of Amalgamation being Exhibit "C" to the Petition and also in the Schedule hereto shall without any further act or deed be transferred to and vested in or deemed to be transferred to and vested in the Transferee Company pursuant to Section 394 (2) of the Companies Act, 1956 so as to become the property of the Transferee Company AND THIS COURT DOTH FURTHER ORDER THAT with effect from the Appointed Date all the debts, liabilities, duties and obligations of the Transferor Company be transferred without any further act or deed to the Transferee Company and accordingly, the same shall pursuant to Section 394 (2) of the Companies Act, 1956 stand transferred to the Transferee Company so as to become debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH FURTHER ORDER THAT all the proceedings pending by or against the Transferor Company shall be continued by or against the Transferee Company AND THIS COURT DOTH FURTHER ORDER THAT since the Transferor Company is a wholly owned subsidiary of the Petitioner Company no shares of the Transferee Company will be issued and allotted to the Petitioner Company and the shares held by the Petitioner Company in the Transferor Company shall stand cancelled AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days from the date sealing of this order cause a certified copy of the order to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and on such certified copy of order

being so delivered the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra, Mumbai shall place all the documents relating to the Transferor Company and register with him on the file kept by him in relation to the Transferee Company, and the files relating to the Transferor Company and the Transferee Company shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the parties to the arrangement embodied in the Scheme of Amalgamation sanctioned herein or any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any direction that may be necessary with regard to the working of the Arrangement embodied in the Scheme of Amalgamation sanctioned herein and set forth in the Schedule hereto AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs. 1500/- (Rupees one thousand five hundred only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai, towards the costs of the Petition Witness SHRI BISHESHWAR PRASAD SINGH, Chief Justice at Bombay aforesaid this 14<sup>th</sup> day of March 2001.

BY THE COURT

Sd/-

For prothonotary & senior master

Sd/-

Dated 27<sup>th</sup> day of March, 2001

Order sanctioning the Scheme of )

Amalgamation drawn on the application )

Of M/s. Udawadia, Udeshi, & Berjis )

Advocates for the Petitioners )

having their office at Thomas Cook )

Building, 3<sup>rd</sup> Floor, 324, D.N. Road, )

Fort, Mumbai 400 001. )

SCHEME OF AMALGAMATION  
BETWEEN  
AJAX SOFTWARE SOLUTIONS LIMITED  
AND  
ICICI INFOTECH SERVICES LIMITED

Under Section 391 read with Section 394 of the Companies Act, 1956 in respect of the amalgamation of AJAX SOFTWARE SOLUTIONS LIMITED with ICICI INFOTECH SERVICES LIMITED.

This Scheme is presented for the amalgamation of AJAX SOFTWARE SOLUTIONS LIMITED with ICICI INFOTECH SERVICES LIMITED

1. In this Scheme unless inconsistent with the subject or context, the following expressions shall have the following meanings:
  - 1.1 "The Act" means the Companies Act, 1956, including any statutory modification or reenactments and rules made thereunder and amendments thereof.
  - 1.2 "AJAX" means Ajax Software Solutions Limited, a company incorporated under the Companies Act, 1956, having its registered office at first floor, Amaltas, Juhu-Versova Link Road, Andheri (W), Mumbai 400 053 in the State of Maharashtra.
  - 1.3 "Appointed Date" means the 1st day of April, 2000 or such other date as may be decided by the Board of the ICICI INFO.
  - 1.4 "Effective Date" means the later of the dates on which the certified copies of the Orders of the High Court at Bombay vesting the assets, properties, liabilities, rights, duties, obligations and the like of AJAX in ICICI INFO are filed with the Registrar of Companies, Maharashtra after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefore.
  - 1.5 "ICICI INFO" means ICICI INFOTECH SERVICES LIMITED, a company incorporated under the Companies Act, 1956, having its registered office at Zenith House, Keshavrao Khadye Marg, Mumbai 400 034 in the State of Maharashtra.
  - 1.6 "Scheme" or "The Scheme" means this Scheme of Amalgamation in its present form submitted to the Hon'ble High Court of Judicature at Bombay or with any modifications approved or imposed or directed by the said High Court.
  - 1.7 "Undertaking of Ajax" shall include all assets, capital work-in-progress, proprietary software including source code, design specification and functional specification, and software products Kastle and Pinnacle, current assets including, cash and bank balances, investments of all kinds, rights and privileges, powers and authorities, and all properties, movable or immovable, tangible or intangible, real or corporeal, in possession or reversion, present or contingent, of whatsoever nature and wheresoever situated including in particular all licenses, registration, contracts, permits, quotas, incentives, subsidies, approvals, rights, claims, leases, tenancy, rights, liberties, patents, trade marks, files, all necessary records, papers, computer programmes, manuals, data, catalogues, sales & advertising materials, customer pricing information industrial and intellectual property rights of any nature whatsoever, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services and import quotas held by AJAX or to which AJAX is entitled to, contracts including hire purchase and lease contracts, rights, title, interest, benefits of any security arrangements, powers, authorities, allotments, consents, engagements, arrangements of all kind, title, interests, benefits and advances of whatsoever nature and all other interests wheresoever situate, belonging to or in the ownership, power or possession of or vested in or granted in favour of or enjoyed by or arising to AJAX ("the Assets") and all debts, liabilities and duties of AJAX and all other obligations of whatsoever kind ("the liabilities").
2. AJAX was incorporated in 4<sup>th</sup> June 1998 and was promoted by IT professionals having considerable domain knowledge in banking industry with aim of developing and selling high-end banking products. AJAX has been engaged in primarily developing and marketing software products/projects in the Banking and Financial Sector and to offer consultancy and offshore development services. AJAX today has two banking products namely the "Kastle" for treasury and risk management and 'Pinnacle' which is a current generation internet enabled for asset liability management (ALM). These products have been developed over the last three years and are in the ready-to-market state. 'Kastle' is a front end dealing system for bank treasuries, corporate and investment bankers involved in complex financial transactions in the money, debt, capital, currency, and derivatives markets with the real time decision support capabilities. It is a seamlessly integrated multi-currency, multi entity solution, which offers straight-through processing integrating the dealing, middle office and back-office functions. The solution also seeks to provide integration across markets thus providing the institution the powerful tool to exploit opportunities across markets and utilize their funds optimally. It can be interfaced with standard accounting and ERP packages as well. IIT Bombay has certified the data base design and Ernst & Young have certified the functionality of 'Kastle' to be at par with industry best practices. Kastle

has been developed using 397 man-month effort. Currently Kastle is being implemented at reputed banks in India. Kastle is estimated to result in substantial revenue stream.

'Pinnacle' is designed to cater to Risk management and ALM besides handling scenario analysis and MIS reporting such as duration analysis, interest sensitivity, Monte Carlo IRR, Rate shock etc. It is a versatile product wherein users can define their own classifications, sub-classifications, maturity buckets and reference rates. 'Pinnacle' also facilitates aggregation and normalization of data across customized parameters. Pinnacle has been implemented at Indian as well as overseas banks. Given the potential market size, Pinnacle is also expected to result in handsome revenue.

3. The Share Capital of AJAX as on the Appointed Date is as under:-

	(Rupees)
<u>Authorised</u>	32,500,000
3,250,000 Equity Shares of Rs. 10 each	
<u>Issued, Subscribed and Paid up</u>	
3,072,100 Equity Shares of Rs. 10 each	
TOTAL PAID UP CAPITAL	30,721,000

4. The Share Capital of AJAX as on 30<sup>th</sup> September 2000 is as under:-

	(Rupees)
<u>Authorised</u>	32,500,000
3,250,000 Equity Shares of Rs. 10 each	
<u>Issued, Subscribed and Paid up</u>	
3,072,100 Equity Shares of Rs. 10 each	
TOTAL PAID UP CAPITAL	30,721,000

Notes:

- AJAX has become the wholly-owned subsidiary of ICICI INFO w.e.f 5<sup>th</sup> January, 2001.
- Out of the above, 2,600,000 Equity shares are allotted as fully paid up by way of Bonus shares by capitalization of Share Premium Account.
- ICICI INFO was incorporated 11<sup>TH</sup> October 1993 and is engaged in developing, designing, marketing and licensing software and program and products of any and all description, besides engaging in information technology-enabled back office transaction, processing services including outbound and in-bound call center operations and information technology infrastructure and network management services. ICICI INFO proposes to productise softwares developed by it. Towards this end AJAX products and the team will provide head start to the productizing initiatives of ICICI INFO. Besides these products being in the critical application area of treasury and ALM, have a ready market. The products are expected to open doors for ICICI INFO with various banks thus facilitating cross selling of its products and services. The products will establish new channels of marketing thereby positioning ICICI INFO at higher end of the value chain. In addition the acquisition is likely to facilitate ICICI INFO partner with various hardware and software vendors.
- The Share Capital of ICICI INFO as on the Appointed Date is as under:-

	(Rupees)
<u>Authorised</u>	
20,000,000 Equity Shares of Rs. 5 each	100,000,000
15,000,000 Preference Shares of Rs. 10 each	150,000,000
	250,000,000
<u>Issued, Subscribed and Paid up 10,000,000</u>	
Equity Shares of Rs. 5 each	50,000,000
TOTAL PAID UP CAPITAL	50,000,000

7. The Share Capital of ICICI INFO as on 31<sup>st</sup> December 2000 is as under:-

	(Rupees)
<u>Authorised</u>	
70,000,000 Equity Shares of Rs. 5 each	350,000,000
15,000,000 Preference Shares of Rs. 10 each	150,000,000
	500,000,000
<u>Issued, Subscribed and Paid up:</u>	
48,000,000 Equity Shares of Rs. 5 each	240,000,000
TOTAL PAID UP CAPITAL	240,000,000

Notes:

- a. All the above shares are held by the ICICI Ltd., the holding company and its nominees.
  - b. Out of above, 40,001,400 (as on appointed date 2,000,700) equity shares are allotted as fully paid up by way of Bonus shares by capitalization of Share Premium Account.
8. With effect from opening of the business as on the Appointed Date, the Assets including the movable and immovable property and licenses, permits, quotas, incentives, subsidies, approvals, rights, claim, lease, tenancy rights, liberties, patents, trade marks, copyrights, computer software including source code, design documents functional specification, user manuals and other intellectual property and import quotas incapable of passing by delivery of AJAX, shall under the provisions of Sections 391 and 394 of the Act and pursuant to Orders of the Bombay High Court sanctioning this Scheme and without further act or deed, but subject to the charges (if any) affecting the same as on the Effective Date shall be transferred and/or deemed to be transferred to and vested in ICICI INFO so as to become the Undertaking and properties of ICICI INFO from the Appointed Date. However, all the movable assets of AJAX be transferred in the manner laid down in Paragraph 9 herein below.
9. On and from the Effective Date the transfer referred in Paragraph 8 above shall be carried out as follows:-
- (i) All the tangible movable assets of AJAX including investments, cash on hand, etc. shall be transferred by physical delivery to ICICI INFO to the end and intent that the property therein passes to ICICI INFO upon such delivery.
  - (ii) In respect of movable assets, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans recoverable in cash or in kind or value to be received, bank balances and deposits the following procedure shall be followed:
  - (iii) AJAX shall give notice in such form as it may be deemed fit and proper to each party, debtors or depositors as the case may be, that pursuant to the said Scheme, the said debt, loan, advances, etc. to the extent to which the property is to pass to ICICI INFO, be paid or made good or held on account of ICICI INFO as the persons entitled thereto. ICICI INFO may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositors that pursuant to the Scheme the said person, debtor or depositors should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of ICICI INFO to recover as realize the same is in substitution of the right of AJAX.
10. With effect from the Appointed Date all the Liabilities of AJAX referred to hereinabove shall, pursuant to the Order under Section 394 of the Act and without any further act or deed be and stand transferred to and vested in and assumed by ICICI INFO so as to become the liabilities of ICICI INFO and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause.
11. Upon the Scheme becoming effective, the items appearing as Reserves and Surplus in the books of AJAX as on the Appointed Date shall become the corresponding Reserves and Surplus of ICICI INFO.
12. On and from the effective date, all the profits or income accruing or arising to AJAX or expenditure or losses arising to or incurred by AJAX, with effect from the Appointed Date and upto and including effective date shall for all purposes and intents be treated and be deemed to be and accrue as the profits or income or expenditure or losses of the ICICI INFO, as the case may be.
13. On and from the effective date, if all suit, actions, appeals or other proceeding of whatever nature by or against AJAX be pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this Scheme, but the said suit, appeal, actions, or other legal proceedings shall be continued prosecuted and enforced by or against ICICI INFO in as effectively as if would or might have been continued, prosecuted and enforced by or against AJAX as if this Scheme had not been made.
14. On and from the effective date, subject to other provisions contained in this Scheme all contracts, deeds, bonds, agreements, arrangements and Other instruments of whatever nature to which AJAX is party subsisting or to the benefit of which the AJAX may be eligible or having effect immediately before amalgamation shall be in full force and effect against or in favour of ICICI INFO and may be enforced as fully and effectively as if instead of AJAX, ICICI INFO had been a party thereto.
- 15 a) On amalgamation of AJAX with ICICI INFO, the services of all the employees of AJAX on or before 31<sup>st</sup> December, 2000 shall stand transferred to ICICI INFO on the terms and conditions as to remuneration not less beneficial to such employees than those subsisting with reference to AJAX and without entailing any break in the continuity of service to the intent and effect that such employees had always been the employees of ICICI INFO. The position, rank, and designation of the employees would be decided by ICICI INFO.
- b) Insofar as the provident fund or any other special scheme created or existing for the benefit of the employees transferred from AJAX are concerned, on and from the effective date of this Scheme, the same shall be transferred to ICICI INFO and ICICI INFO shall stand substituted for the AJAX for all purposes whatsoever relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said schemes/funds as per the terms provided in the respective trust deeds, to the end and intent that all the rights, duties, powers and obligations of the AJAX in relation to such schemes/funds shall become those of ICICI INFO. It is clarified that the services of the transferred employees will be treated as having been continuous for the purpose of the aforesaid schemes/funds.
16. On and from the effective date any loans or other obligations due between or amongst AJAX and ICICI INFO shall stand discharged and there shall be no liability in that behalf.

17. With effect from the appointed Date and upto Effective Date, AJAX shall carry on and be deemed to carry on all its business and activities and stand possessed of and shall deemed to have held and stood possessed of its properties and assets for and on account of and in trust for ICICI INFO and all the profits accruing to AJAX or losses arising or incurred by it shall, for all purposes, be treated as the profits or losses of ICICI INFO as the case may be. AJAX hereby undertakes to carry on its business until the Effective Date with reasonable diligence and business prudence and shall not, without the written consent of ICICI INFO, undertake any financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any guarantees, indemnities, letter of comfort or commitments either for itself or any third parties, alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of its business. AJAX also undertakes not to vary terms and conditions of the employment of its employees except in the ordinary course of business and not without the written consent of ICICI INFO undertake any new business.
18. The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date. On the Scheme becoming effective, AJAX shall stand dissolved without being wound up.
19. AJAX being the wholly owned subsidiary of ICICI INFO, on the Scheme becoming effective the entire shareholding of ICICI INFO in AJAX shall stand automatically cancelled without any further act or deed.
20. The value of the assets and liabilities being transferred to and vesting in ICICI INFO in accordance with this Scheme on the basis of the value appearing in the Balance Sheet as on the Appointed Date.
21. An amount equal to the balance lying to the credit of the Share Premium Account in the books of the AJAX shall be credited by the ICICI INFO to its Share Premium Account.
22. ICICI INFO will record the value of the software brands which come to it consequent upon the amalgamation at a fair value which is estimated at Rs. 180 million. Upon the assets and liabilities of the AJAX vesting in ICICI INFO the investments made by ICICI INFO will stand cancelled.
23. ICICI INFO will not take the share capital, deferred revenue expenditure and the debit balance in the Profit & Loss Account. As a result, the difference, if any, between the assets and liabilities will reflect in the share premium account, in the nature of Securities Premium Account as referred to in the Act.
24. AJAX and ICICI INFO shall with all reasonable dispatch, make and file application / petitions under Section 391 and 394 and other applicable provisions of the Act to the High Court of Judicature at Bombay for seeking approval to the Scheme under the provisions of the law, and obtain all approval as may be required under law.
25. AJAX and ICICI INFO by their respective directors may consent from time to time on behalf of all concerned to any modifications/amendments or additions to the Scheme or to any conditions or limitations that the court or any other authorities under law may deem fit to approve or, to direct or impose or which may otherwise be considered necessary, desirable or appropriate by Board of Directors in their discretion deem fit and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters, and things necessary for bringing this scheme in to effect. The aforesaid powers of the AJAX and ICICI INFO may be exercised by their respective Board of Directors or any employees, authorized in the behalf by the concerned Board of Directors.
26. The Scheme is conditional on and subject to:
  - (a) Approval of and agreement to the Scheme by the requisite majority of the respective shareholders and creditors of AJAX and ICICI INFO as may be directed by the High Court of Judicature at Bombay
  - (b) Sanctions and necessary Orders under the provisions of Section 391 read with Section 394 and other applicable provisions of the Act, if so required, obtained by AJAX and ICICI INFO from the High Court of Judicature at Bombay
  - (c) Certified copies of the orders of the Honourable High Court at Bombay sanctioning this Scheme being filed with the Registrar of Companies, Maharashtra by AJAX and ICICI INFO.
  - (d) All other sanctions and approvals as may be required by law or to be granted/obtained under any contract in respect of this Scheme being obtained/granted or the obtaining of any approvals or consent required under any contract.
27. In the event the Scheme is not sanctioned by the High Court of Judicature at Bombay, or in the event any of the approvals or conditions enumerated in Paragraph 26 above not being obtained or complied, or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void and each party shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.
28. All costs, charges and expenses of AJAX and ICICI INFO in connection with the implementation of the Scheme and incidental to the completion of amalgamation of the undertaking in pursuance of this scheme shall be borne by ICICI INFO.

CERTIFIED TO BE A TRUE COPY

This 28<sup>th</sup> day of March 2001

Sd/-  
For Prothonotary and Senior Master

HIGH COURT  
O.O.C.J.  
COMPANY PETITION NO. 112 OF 2001  
CONNECTED WITH  
COMPANY APPLICATION NO. 6 OF 2001

In the matter of Sections 391 to 391 of the Companies Act, 1956 (1 of 1956)

In the matter of Companies Act, 1956

AND

In the Scheme of Amalgamation of Ajax Software Solutions Limited with ICICI Infotech Services Limited

ICICI Infotech Services Limited

..... PETITIONERS

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ORDER SANCTIONING THE SCHEME OF  
AMALGAMATION

---

Dated this 14th day of March 2001

Filed this 27th day of March 2001.

M/s. Udawadia, Udeshi, & Berjis,  
Advocates for the Petitioners,  
Thomas Cook Building, 3rd floor,  
324, D. N. Road, Fort,  
Mumbai - 400 001.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY PETITION NO. 406 OF 2002  
CONNECTED WITH  
COMPANY APPLICATION NO 227 OF 2002

In the matter of :  
Section 78, 100 and 101 of the  
Companies Act, 1956;

AND

Reduction of the Securities Premium Account Of ICICI Infotech Services Limited

ICICI Infotech Services Limited, a company )  
incorporated under the provisions of the )  
Companies Act, 1956 and having its Registered )  
Office at Zenith House, Keshavrao Khadye )  
Marg, Mahalaxmi, Mumbai 400 034. )

... PETITIONER

Coram : FI. Rebello, J.

Date : 6<sup>th</sup> June, 2002

UPON THE PETITION of ICICI Infotech Services Limited, the Petitioner Company abovenamed presented to this Hon'ble Court on the 15<sup>th</sup> day of April, 2002 for reduction of Securities Premium Account of the Petitioner Company AND the said Petition being this day called on for hearing and Final Disposal AND UPON READING the said Petition and the Affidavit dated the 15<sup>th</sup> day of April, 2002 of Mr. S.R. Shettigar, Company Secretary of the Petitioner Company verifying the said petition AND UPON persuing the exhibits annexed to the said Petition AND UPON READING the Affidavit dated the 15<sup>th</sup> day of April, 2002 of Mr. S. R. Shettigar in support of Company Application No. 227 of 2002 AND UPON READING the further Affidavit dated the 18<sup>th</sup> day of April, 2002 in support of the Company Application No. 227 of 2002 AND UPON persuing the exhibits annexed to the said Affidavits in support and further Affidavit in support of the company Application No. 227 of 2002 AND UPON reading the Order dated the 19<sup>th</sup> day of April, 2002 made by this Hon'ble Court in Company Application No. 227 of 2002 whereby the procedure required to be followed under Section 101 (2) of the Companies Act, 1956 was dispensed with in view of the Special Resolution passed at the Extraordinary General Meeting held on the 28<sup>th</sup> day of March, 2002 and in view of the averments made in paragraph 6 of the Affidavit in support of the Company Application No. 227 of 2002 and UPON READING The Affidavit dated the 4<sup>th</sup> day of June, 2002 of Mr. S.R. Shettigar proving publication of the notice of the hearing of the petition in the issue of the Financial Express (English Edition) dated the 7<sup>th</sup> day of May, 2002 and the Nav Shakti (Marathi Edition) dated the 16<sup>th</sup> day of May, 2002 and UPON HEARING Mr. Shyam Mehta, counsel instructed by M/s. Udwadia, Udeshi & Berijis, Advocates for the Petitioner Company AND no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support of the said Petition or to show cause against the same, THIS COURT DOETH ORDER that the settlement of the list of creditors and consequent procedure under Section 101 (2) of the Companies Act, 1956 is dispensed with AND THIS COURT DOETH ORDER that the reduction of the Securities Premium Account of the above Petitioner Company resolved on and effected by the Special Resolution passed at the Extraordinary General Meeting of the Petitioner Company held on the 28<sup>th</sup> day of March, 2002 which resolution was in words and figures following, viz.

"RESOLVED that pursuant to the provisions of the Section 78, 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the "Act") and subject to the confirmation by the Court and other appropriate authorities, if any, in this regard, the Securities

Premium Account of the Company, presently amounting to Rs. 1,457,589,458/- (one thousand four hundred fifty seven million, five hundred eighty nine thousand and four hundred fifty eight only) consisting of an accumulate premium on 61176887 shares of Rs. 5/- each be and is hereby reduced by Rs. 1,250,000,000 (one thousand two hundred fifty million only) to bring down the net securities premium to Rs. 207,589,458 (Rupees two hundred seven million and five hundred eighty nine thousand four hundred fifty eight only) in the books of the Company.

RESOLVED further that to effect such reduction out of the investment in the share capital of ICICI Infotech Inc., USA as on February 28, 2002 as sum amounting to Rs. 1,250,000,000 (Rupees one thousand two hundred and fifty million only) be set off against the Securities Premium Account.

RESOLVED further that Memorandum of Association of the Company be suitable altered if required to insert therein the amendments if any, pursuant to the reduction of Securities Premium Account.

RESOLVED further that Board be authorized to appoint solicitors, attorneys and consultants and to give instructions to them and to sign and execute such documents give directions for settling any questions of difficulties that may arise and deeds and do such acts as may be necessary in this regard, in its absolute discretion as it any consider expedient and in the interest of the Company and its members and the creditors.”

be and the same is hereby confirmed AND THIS COURT DOTH ORDER that the minute set forth in the schedule hereto be and is hereby approved AND THIS COURT DOTH ORDER that a certified copy of this Order including the minute as approved be delivered to the Registrar of Companies within 21 days from this date of the sealing of this Order AND THIS COURT DOTH FURTHER ORDER that notice of the registration by the Registrar of Companies of this Order and of the said minute be published, once each in the Maharashtra Government Gazette, the Financial Express (English Edition) and the Nav Shakti (Marathi Edition) within 14 days of the registration aforesaid WITNESS SHRI CHUNILAL KARSANDAS THAKKER, the Chief Justice at Bombay aforesaid this 6<sup>th</sup> day of June, 2002.

By the Court

Sd/-

For the Prothonotary & Senior Master

Sd/-

Sealer

Dated this 6<sup>th</sup> day of June, 2003

Order confirming Reduction of )  
The Securities Premium Account )  
of the Petitioner Company under )  
Sections 78, 100 and 101 of the )  
Companies Act, 1956 drawn on )  
the application of M/s. Udwadia, )  
Udeshi & Berjis, Advocates for the )  
Petitioner Company having their )  
Office at Thomas Cook Building, )  
3<sup>rd</sup> Floor, D.N. Road, Fort, )  
Mumbai 400 001. )

SCHEDULE

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY PETITION NO. 406 OF 2002  
CONNECTED WITH  
COMPANY APPLICATION NO. 227 OF 2002

In the matter of :  
Sections 78, 100 and 101 of the  
Companies Act, 1956;

AND

Reduction of the Securities Premium Account of ICICI Infotech Services Limited

ICICI Infotech Services Limited,

... PETITIONER

MINUTES

Securities Premium Account of ICICI Infotech Services Limited is reduced from Rs. 1, 457, 589, 458/- (Rupees one thousand four hundred fifty seven million, five hundred eighty nine thousand and four hundred fifty eight Only) to Rs. 207, 589, 458/- (Rupees two hundred seven million and five hundred eighty nine thousand four hundred fifty eight only) for writing off the diminution in the value of investment of ICICI Infotech Services Limited in the Share capital at ICICI Infotech Inc., USA in terms of the Special Resolution dated 28<sup>th</sup> March , 2002 passed at the Extraordinary General Meeting held on 28<sup>th</sup> March, 2002.

CERTIFIED TO BE A TRUE COPY

This 1st day of July 2002

sd/-

for Prothonotary and Senior Master

IN THE HIGH COURT OF JUDICATURE AT  
BOMBAY  
O.O. C.J.  
COMPANY PETITION NO. 406 OF 2002  
CONNECTED WITH  
COMPANY APPLICATION NO. 227 OF 2002

In the matter of Sections 78, 100 &  
101 of the Companies Act, 1956, etc.

And

In the matter of reduction of Securities Account of ICICI Infotech Services Limited

.... Petitioner

ICICI Infotech Services Limited

**CERTIFIED COPY OF**

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ORDER CONFIRMING REDUCTION OF  
SECURITIES PREMIUM ACCOUNT

---

Dated this 6<sup>th</sup> day of June, 2002

Filed this 29<sup>th</sup> day of June, 2002

Udwadia, Udeshi & Berjis  
Advocate for the Petitioner  
Thomas Cook Building, 3<sup>rd</sup> floor,  
D.N. Road, Fort,  
Mumbai 400 001

CoNo. 11-74411



[कम्पनी अधिनियम, 1956 की धारा 103 (4)]  
[Section 103 (4) of Companies Act, 1956]

पूँजी के घटाने की पुष्टि करने वाले न्यायालय के आदेश के  
रजिस्ट्रेशन का प्रमाण-पत्र  
CERTIFICATE OF REGISTRATION OF ORDER OF COURT  
CONFIRMING REDUCTION OF CAPITAL

परिमित ने विशेष संकल्प द्वारा  
अपनी पूँजी घटा दी है और ऐसे घटाने की तारीख के  
के आदेश द्वारा पुष्टि की जा चुकी है।

The **ICICI INFOTECH SERVICES LIMITED** Limited having by  
Special resolution reduced its Capital, and such reduction having been confirmed by an order of  
**Hon'ble High Court of Mumbai**

bearing date the **6-6-2002**

में एन द्वारा प्रमाणित करता हूँ कि उक्त आदेश को और उक्त आदेश द्वारा यथा परिवर्तित  
कम्पनी की पूँजी और शेयरों की विविधियाँ प्रदर्शित करने वाले न्यायालय द्वारा अनुमोदित टिप्पण की  
एक प्रति आज रजिस्ट्रीकृत कर दी गई है।

I hereby certify that a copy of the said order and a minute approved by the Court showing  
particulars of the Capital and shares of the Company as altered by the said order have this  
day been registered.

मेरे हस्ताक्षर में आज तारीख के  
एक हजार नौ सौ और को दिया गया।

Given under my hand at **Mumbai** this **5th**  
day of **July**  
and **Two Thousand Two**

सहायक कम्पनी रजिस्ट्रार  
असिस्टेंट रजिस्ट्रार  
Asst. Registrar of Companies  
Maharashtra, Bombay



Admn. 73-77-GIPTC-(C-94)-10-5-76-1,500

**IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH AT HYDERABAD**

**(ORDINARY ORIGINAL/CIVIL JURISDICTION)**

**FRIDAY, THE TWENTY EIGHTH DAY OF SEPTEMBER TWO THOUSAND AND SEVEN**

**PRESENT**

**THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN**

**COMPANY PETITION NO. 22 OF 2007**

**C/W**

**COMPANY APPLICATION NO. 29 OF 2007**

**IN THE MATTER OF THE COMPANIES ACT (1 OF 1956)**

**AND**

**IN THE MATTER OF Sections 391 to 394 of the Said Act**

**And**

**IN THE MATTER OF M/s. SDG Software Technologies Limited**

**And**

**In the matter of M/s 3i Infotech Limited**

Between

M/s. SDG Software Technologies Limited, a Company incorporated under the Companies Act, 1956 Millennium Centre, Somajiguda, 6-3-1099/1100 off, Rajbhavan Road, Hyderabad - 500 082.

..... PETITIONER  
(Transferor Company)

Petition under Sections 391 to 394 of the Companies Act, 1956 of the Original side Rules, praying that this High Court may be pleased to

- a) that the Scheme of Amalgamation as approved and/or consented by the Share holders of the Petitioner/Transferor Company and the Transferee Company a copy of which is filed hereto as Annexure-A5, be sanctioned and confirmed by this Hon'ble High Court so as to be binding on all the members, creditors and employees of the Petitioner Company and all concerned.
- b) For an order that the Petitioner/Transferor Company be dissolved without going through the process of Winding Up.
- c) For an order under Section 394 of the Companies Act that the Petitioner/Transferor Company do within 30 days after the date of the Orders, cause a certified copy to be delivered to the Registrar of Companies, Andhra Pradesh at Hyderabad for registration and on such certified copy being delivered or such date as this Hon'ble Court may deem fit, the Registrar of Companies, Andhra Pradesh, Hyderabad shall take all necessary consequential Actions in respect of the Petitioner Company and also dissolution of the Transferor Company without going through the process of winding up.
- d) That the parties of the Scheme or other persons interest shall be as liberty to apply to this Hon'ble Court for any direction that may be necessary in regard to the carrying out of the Scheme of amalgamation.

This Petition coming on for orders upon reading the Judge's Summons and the affidavit dated 21-02-2007 and filed by Asmita Banait, Authorised Signatory of the Transferor Company in support of this Petition and upon hearing the arguments of SRI AMBADIPUDI SATYANARAYANA, Advocate for the Transferor Company.

The Court made the following order

## THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN COMPANY PETITION NO. 22 OF 2007

### ORDER;

This petition is filed by the "transferor company" seeking this Court's sanction for the scheme of amalgamation with M/s 3i Infotech Limited (the transferee company).

The petitioner was initially incorporated as a private limited company on 30.9.1998. It was thereafter converted into a public limited company and a fresh certification of incorporation was issued by the Registrar of Companies of ALP., Hyderabad on 1.3.2006 under Registration No.01-30267 of 2005-06. The registered office of the petitioner is at Somajuguda, Hyderabad. Its authorized capital is Rs.1.00 crore divided into Ten lakh equity shares of Rs.10/- each and the entire share capital is issued, subscribed and fully paid up. The objects for which the petitioner was incorporated are to design, develop, market and deploy systems and software products and projects in the domestic and international markets, to distribute, test, modify, maintain and support various kinds of information processing applications, to undertake assessment, conversion, testing and certification of software codes for the year 2000.. date, compliance of various applications in all languages, to develop software tools to enhance productivity, to provide customized consultancy services, such as accounting, pay roll, materials management, etc., to offer training programmes in software application and software development and to design, develop and produce teaching aids etc. Enclosed to the company petition is the audited balance, sheet and profit and loss account for the year ending 31.3.2006.

The "transferee" is a limited company incorporated in the State of Maharashtra on 11.10.1993 in the name and style of M/s. ICICI Investor Services Limited. Its name was, thereafter, changed to ICICI Infotech Services Ltd and finally as 3i Infotech Limited and a fresh certificate of incorporation, consequent to the change of name, was issued by the Registrar of Companies, Maharashtra at Mumbai on 20.1.2005 under Registration No.U 67120 MH 1993 PLC 074411. The registered office of the transferee is situated at Navi Mumbai in the State of Maharashtra. The audited balance sheet of the transferee company, along with its profits and loss account for the year ending 31.3.2006, is enclosed to the petition. The authorized share capital of the transferee is fifteen crore equity shares of Rs. 10/- each for Rupees one hundred and fifty crores and twenty crore cumulative preference shares of Rs.5/- each for a total value of Rupees one hundred crores. Its issued, subscribed and paid up share capital is 5,30,40,855 equity shares of Rs.10/- each for Rs.53,04,48,550 and twenty crores 6.35% cumulative preference shares of Rs.5/- each for Rs. 100.00 crores. The main objects of the transferee are to carry on the business of providing services for fixed deposits, for issue and transfer of shares, debentures bonds, stocks and all types of financial instruments, to act as registrars to the issue and registrars and transfer agents of shares, debentures, bonds, etc., to carry on the business of developing, improving, designing, marketing, selling and licensing software and program products, rendering technical assistance and services including maintenance in connection with the use, purchase, sale, etc., of machines, apparatus, appliances, electronic and electro-mechanical products and systems and program products and to provide consultancy services relating to the preparation and maintenance of accounting, statistical, scientific and mathematical information and reports and to carry on the business of advisors and consultants on all matters and problems relating to administration, organization, finance, etc. The entire paid up share capital of the transferor, of ten lakh equity shares, is held by the transferee company and its nominees. While 9,99,994 shares are held by the transferee, six other nominee individuals hold one share each.

While the transferor has filed this petition seeking approval of this Court to the scheme of amalgamation, the transferee has filed a similar application before the Mumbai High Court.

C.A. No. 29 of 2007 was filed requesting this Court to dispense with the holding of a meeting of the shareholders of the transferor company. In its order dated 2.2.2007, this Court noted that the petitioner is a subsidiary of the transferee company and that 9,99,994 shares were held by the transferee with six nominee individuals holding one share each. This court held that, as the transferee and the six nominee shareholders had given their consent to the scheme of amalgamation, there was no need to convene the meeting of the shareholders of the petitioner company and as such the requirement of convening a meeting of the shareholders of the transferor company was dispensed with.

Before sanctioning a scheme of arrangement the Court must be satisfied that the statutory provisions are complied with, that in case a meeting of the members or a class of members or of the creditors or a class of creditors, is called for, the class is fairly well represented and that the scheme of arrangement is such as a man of business would reasonably approve. It is the commercial wisdom of the parties to the scheme, who have taken an informed decision about the usefulness and propriety of the scheme supporting it by the requisite majority vote, that has to be kept in view by the Court. The Court would not act as a Court of appeal and sit in judgment over the informed view of the parties to the compromise as it has neither the expertise nor the jurisdiction to delve deep into the commercial wisdom exercised by the creditors and members of the company who have ratified the scheme by the requisite majority. The Company Court's jurisdiction to that extent is peripheral and supervisory and not appellate. The supervisor cannot ever be treated as the author or the policy-maker. The propriety, and the merits of the compromise or arrangement has to be judged by the parties who, as sui juris with their open eyes and fully informed about the pros and cons of the scheme, arrive at their own reasoned judgment and agree to be bound by such a compromise or arrangement. The Court cannot scrutinise the scheme to find out whether a better scheme could have been adopted by the parties. **(Miher H. Mafatlal Vs. Mafatlal Industries Ltd).**

A creditor, who has a debt due from the transferor company, would, on the scheme of amalgamation being sanctioned, be required to look not to the transferor for repayment of his dues but to the transferee with whom he neither had any dealings in the past nor privity of contract prior to its substitution in the place of the transferor. In a given case, the transferee company may have negative assets or may not have sufficient liquidity to repay the creditor, as per the original terms agreed between him and the transferor company. Whether he would be adversely affected by being required to deal with the transferee, in substitution of the transferor, is a matter of perception of the creditor. **(Zee Interactive Multi Media Ltd., In re<sup>3</sup>, Mayfair Limited and Zodiac Clothing Co. Ltd In re<sup>3</sup>, Union of India Vs. Asia Udyog Pvt. Ltd .).**

On the question whether a meeting of the creditors is statutorily required to be called for, even in a scheme of arrangement between the company and its members, there is divergence of opinion. One view is that the creditors are not entitled, as of right, to participate in the process of consideration of sanction of the scheme, as the Companies Act does not contain a specific provision for notice being given to the creditors at any stage either prior to the making of the order or subsequent thereto, except in so far as the creditors may have notice of it by public advertisement, **(Asia Udyog Private Limited<sup>4</sup>)**, and that the legislature has cast a duty on the Court to ascertain whether the Scheme affects the interests of the creditors to such an extent that holding of their meeting is essential and, if the Court were of the view that the interests of the creditors are adversely affected, it could refuse to sanction the scheme unless their consent has been obtained. **(Ansal Properties and Industries Ltd., In re<sup>5</sup>)**.

Another facet of this view is that, under Section 391 of the Act, a compromise or arrangement is either between a company and its creditors or between a company and its members. An arrangement, in the nature of amalgamation, is the result of an agreement between the amalgamating company and its members, as well as a corresponding agreement between the transferee company and its members. There is, therefore, no provision for the participation of persons other than the members of the two companies to vote on an arrangement between a company and its members. **(Nav Bharat Ferro Alloys In re<sup>6</sup>; Mafatlal Industries Ltd., In re<sup>7</sup>; Coimbatore Cotton Mills Ltd and Lakshmi Mills Co. Ltd., In re<sup>8</sup>; Telesound India Ltd., In re<sup>9</sup> and Nav Chrome Ltd., In re<sup>10</sup>)**

A slightly different view was taken by D.G. Karnik J of the Bombay High Court, in Re: ICICI Bank Limited<sup>11</sup>. To quote :-

**“ ....I have my own doubt about the view taken by the Delhi High Court in expressing that the creditors have no right to participate in the process of consideration of the Scheme of Arrangement between the Company and its members. Section 391(1) gives a discretion to the Court to convene a meeting of the creditors or any class of them. The Court would exercise the discretion by convening a meeting of creditors if the creditors are likely to be adversely affected by an arrangement between the Company and its members. Attending the meeting and voting are steps of participation in the process of consideration of the Scheme...**

**“...I am of the firm view that while considering any Scheme of Arrangement or Compromise proposed under Sections 391 to 394 of the Companies Act the Court is duty-bound to consider the interests of all the creditors. What importance should be given to the fact that the creditors are likely to be affected would vary from case to case but the Judge would certainly treat whether the creditors are adversely affected or not as the relevant circumstance. How then Court is to ascertain as to whether the creditors are adversely affected? If the creditors have no right of hearing at the time of hearing of the petition under Section 391 as held by Delhi High Court and this Court, (I have my own doubts about the correctness of this view) the only way of ascertaining whether the creditors are affected or not would be through the wishes of the creditors which may be expressed by them in a meeting which the Court undoubtedly is entitled to convene under Sub-section (1) of Section 391. Therefore, the Court would exercise discretion as a matter of course to convene meeting of the creditors of the Company under Sub-section (1) of Section 391 unless the Court is prima facie satisfied that the interests of the creditors are not likely to be adversely affected by the Scheme. I am of the opinion that if an anomaly, as pointed out in Telesound India Limited, by the Delhi High Court exists in Section 391, the Courts would not fold their hands and wait for the Legislature to provide a cure, but would exercise their discretion under Sub-section (1) of Section 391, almost in every case in which creditors are likely to be affected, convene a meeting of the creditors and ascertain their wishes by looking not only at the Resolutions passed in their meeting but looking at the entire report of the Chairman of the meeting which is expected to contain the details of the proceeding in brief and the views expressed by the creditors in the meeting...” (emphasis supplied)**

Can failure to hold a meeting of the creditors, in a scheme of arrangement between the company and its members, be justified on the ground that it is always open to the Court, on a bare reading of the audited financial statements placed before it, to ascertain whether or not their interests are safeguarded? Would that not amount to usurping the rights of the creditors to decide for themselves whether or not to approve the scheme? In the light of the settled legal position that the Court has no power to usurp the rights of the class of members or creditors to decide whether or not to approve the scheme, if the class whose interests are affected by the scheme, neither assent to nor approve of it in a meeting held in accordance with the statutory provisions and as the Court cannot confirm the scheme even if it considers that the class concerned has been fairly dealt with or that it would have approved the scheme **(Palmer's Company Law)**, would the Court be justified in examining the scheme and recording its satisfaction that the interests of the creditors are not affected, when these are matters which the creditors should have been permitted to examine and decide for themselves in a meeting to be called for this purpose?

If the jurisdiction of the Company Court, in examining a scheme of arrangement, is peripheral, supervisory and not appellate, since it does not have the expertise to delve deep into the commercial wisdom of the members who have ratified the scheme by the prescribed majority, (**Miheer H. Mafatlal**), on what basis would the Court decide that, in the facts and circumstances of a given case, a meeting of the creditors or a class of them should or should not be held to ascertain whether they approve of the scheme or not?

Section 391(1) enables the Court, on the application of a company or a creditor or a member of the company, to order a meeting of the creditors/or the members **"as the case may be"** to be held and conducted in such a manner as the Court directs. Under Section 391(2), if a majority representing 3/4<sup>th</sup> in value of the creditors/members agree, in the meeting, for the compromise or arrangement, the scheme, on its sanction by the court, would be binding on all the creditors/members **"as the case may be"** and also on the company. The expression **"as the case may be"** finds place both in sub-sections (1) and (2) of Section 391. If the words **"as the case may be"** in Section 391(1) are construed as requiring the Court to order the meeting of only the members in a Scheme of arrangement between the Company and its members, and only a meeting of the creditors in a Scheme of arrangement between the Company and its creditors, should the expression **"as the case may be"** in Section 391(2) then not be read as to bind only the members where a meeting of the members is held and only the creditors where a meeting of the creditors is held? The safeguard in the provision, of 3/4 members or creditors in value voting in the meeting to approve the scheme, is that the wishes of a majority of the class should prevail, and the dissenting minority of 1/4<sup>th</sup> or less of the class should not be permitted to derail the scheme of arrangement unless, of course, the Court, on examining the scheme, finds that the objection of the minority is justified. If no meeting of the creditors is required to be held, in a scheme of arrangement between the Company and its members, then, in the absence of ascertaining whether 3/4<sup>th</sup> in value of the creditors approve the scheme or not, would the Court be justified in statutorily imposing such a scheme of arrangement on the creditors and bind them to it, even though their consent has not been obtained or their wishes ascertained? If it were held that not holding the meeting, and ascertaining the wishes of the creditors, would result in the scheme of arrangement not to bind them, would the very purpose of sanctioning the scheme by the Court not be defeated and approval of the scheme not be an exercise in futility? If, on the other hand, the view that a meeting of the creditors/members must necessarily be held in all cases, irrespective of whether the scheme of arrangement is between the Company and its members or the creditors, is accepted would that not render the words **"as the case may be"** in Section 391(1) mere **surplussage**? These are several questions which need answers.

It is, however, not necessary for us to seek answers to the aforesaid questions in the present case, as a wholly-owned subsidiary is sought to be amalgamated with its holding company. Under Section 4(1)(a) and (b)(ii) of the Companies Act, a company shall be deemed to be the subsidiary of another only if that other controls the composition of its Board of Directors or where the other company holds more than half, in nominal value, of its equity share capital. In the present case, the entire nominal value of the equity share capital of the transferor is held by the transferee.

The legal entity of the Corporation is separate from that of its shareholders; it bears its own name and has a seal of its own; its assets are separate and distinct from those of its members; it can sue and be sued exclusively for its own purpose; its creditors cannot obtain satisfaction from the assets of its members; the liability of the members or shareholders is limited to the capital invested by them. Similarly, the creditors or the members have no right to the assets of the Corporation. However the doctrine, that the Corporation or a Company has a legal and separate entity of its own, has been subjected to certain exceptions by the application of the fiction that the veil of the Corporation can be lifted and its face examined in substance. The doctrine of the lifting of the veil has been applied in five categories of cases: where companies are in the relationship of holding and subsidiary (or sub-subsidiary) companies; where a shareholder has lost the privilege of limited liability and has become directly liable to certain creditors of the company on the ground that, with his knowledge, the company continued to carry on business six months after the number of its members was reduced below the legal minimum; in certain matters pertaining to the law of taxes and stamps, particularly where the question of "controlling interest" is in issue; in the law relating to exchange control; and in the law relating to trading with the enemy where the test of control is adopted. (**Tata Engineering and Locomotive Co. Ltd Vs. The State of Bihar** <sup>12</sup> **Palmer's Company Law.**)

In **DHN Food Distributors Ltd. Vs. London Borough of Tower Hamlets**<sup>13</sup>, Lord Denning quoted with approval the statement in **Gower's Company Law** that:-

"there is evidence of a general tendency to ignore the separate legal entities of various companies within a group, and to look instead at the economic entity of the whole group", and observed that **"this group is virtually the same as a partnership in which all the three companies are partners"**. He called it a case of **"three in one"** — and, alternatively, as **"one in three"**.

Goff, L.J. said : **"This is a case in which one is entitled to look at the realities of the situation and to pierce the corporate veil."**

The observations of Shaw, L.J. were:

"Why then should this relationship be ignored in a situation in which to do so does not prevent abuse but would on the contrary result in what appears to be a denial of justice?"

Similarly in **Harold Holdsworth & Co. (Wakefield) Ltd. Vs. Caddies** <sup>14</sup> it was argued that the subsidiary companies were

separate legal entities each under the control of its own board of directors, that in law the board of the holding company could not assign any duties to anyone in relation to the management of the subsidiary companies and that, therefore, the agreement cannot be construed as entitling them to assign any such duties to the respondent. The argument was rejected by Lord Reid with the observation:

"This is too technical an argument", "This is an argument in re mercatoria, and it must be construed in the light of the facts and realities of the situation."

The aforesaid judgments, in which the corporate veil was lifted, were quoted with approval by the Supreme Court in **Delhi Development Authority Vs. Skipper Construction Co. (P) Ltd. and New Horizons Limited Vs. Union of India**<sup>5</sup>. In **State of P.P. Vs. Renusagar Power Co.**, the Supreme Court lifted the veil to hold that Hindalco, the holding company, and Renusagar Power Co., its subsidiary, should be treated as one concern and the power plant of Renusagar must be treated as the own source of generation of Hindalco and Hindalco would be liable to payment of electricity duty on that basis. It was observed :

"..... It is high time to reiterate that in the expanding horizon of modern jurisprudence, lifting of corporate veil is permissible. Its frontiers are unlimited. It must, however, depend primarily on the realities of the situation. ... The horizon of the doctrine of lifting of corporate veil is expanding....." (emphasis supplied)

Lifting the corporate veil, in cases where a wholly owned subsidiary is amalgamated with its holding company, would establish that the creditor is, and has always been, dealing with the transferee company defacto though he is the creditor of the transferor company de-jure. In such limited cases of amalgamation, as the creditors' rights cannot be said to be affected, holding of a meeting to ascertain their views, and obtain their consent to the scheme of amalgamation, may not be necessary.

Sri A.Satyanarayana, learned counsel for the petitioner, would refer to the affidavit filed in support of C.A.No.1520 of 2007 to submit that the transferor company does not have any secured or unsecured loans. In so far as the sundry creditors, as reflected under the head "Current" Liabilities in the Balance Sheet, are concerned it is stated that, while the total amount due to them as on 31.3.2007, is Rs.3,12,62,287/-, nearly 71.86% thereof, i.e., Rs.2,24,63,749/-, is payable to the transferee company itself, that 11.63% thereof for Rs.36,35,884/- represents the amount payable towards staff welfare, courier, electricity, internet charges, insurance etc., that Rs.1,09,110/- has already been paid off and that the remaining 16.16% for Rs.50,53,544/- is yet to be paid. Along with the said application, the letter of consent given by the transferee is enclosed. Thus, from out of Rs.3,12,62,287/-, shown in the Balance Sheet as at 31.3.2007 as the dues of sundry creditors, it is only Rs.50,53,544/- which is actually due towards supplies made. The profit and loss account of the transferor for the year ending 31.3.2007 would show that its losses before tax is Rs.2,17,91,668/- whereas for the year ending 31.3.2006 it had made a profit of Rs. 1,45,94,958/-.

Sri A.Satyanarayana, learned counsel for the petitioner, would contend that it is **only because** of the pendency of the Company Petition, seeking approval of the scheme of amalgamation, before this **Court** that the business operations of the transferor had been reduced drastically resulting in its having incurred a loss of approximately Rs.2.18 Crores. The profit and loss account of the transferee for the year 31.3.2007 would show that its profit before tax is Rs.51.047 Crores, its profit after tax is Rs.49.439 crores and the profits available for appropriation is Rs.91.226 crores. The financial position of the transferee has improved further as compared to the previous year. While the profits available for appropriation for the year ending 31.3.2006 was Rs.51.938 Crores, the profits available for appropriation for the year ending 31.3.2007 is Rs.91.226 Crores. The creditors of the transferor, a loss making company, consequent on the scheme of amalgamation being approved by this Court and by the Mumbai High Court, would become the creditors of the transferee company which has made substantial profits for the year ending 31.3.2007 in excess of Rs.91.00 Crores. Viewed from any angle, it cannot be said that the creditors of the transferor would, in any manner, be adversely affected if the scheme of amalgamation were to be approved by this Court.

The first proviso to Section 391(2) requires the petitioner to disclose all material facts relating to the company such as, its latest financial position, its latest auditors report on the accounts, the pendency of investigation proceedings in relation to the company under Sections 235 to 251. Since the audited balance sheets of both the transferor and transferee as on 31.3.2007 is placed on record for the consideration of this Court, the requirement of furnishing the latest financial position of the company and its latest auditor's report are satisfied. In the company petition it is specifically stated that there are no investigations pending against the transferor under Sections 235 to 237 or any other provision of the Companies Act or under any other Act. The requirement of the first proviso to Section 391(2) is also satisfied.

The proviso to Section 394(1) stipulates that no order of dissolution of the transferor company, under clause (iv) thereof, shall be made unless the official liquidator has, on scrutiny of the books and papers of the company, made a report to the Court that the affairs of the company have not been conducted in a manner prejudicial to the interests of its members and to public interest. Section 394-A requires the Court to give notice of every application, made to it under Sections 391 to 394, to the Central Government and, to take into consideration the representation, if any, made by the government before passing an order under Sections 391 to 394. Pursuant to a notice being issued, both the Official Liquidator and the Central Government represented by the Registrar of Companies, Hyderabad have filed their reports.

The Official Liquidator, in his report dated 14.6.2007, states that he had called for the information and statutory books from the transferor and the same had been furnished to him, that on examination of the information, and the papers so furnished, he observed that the object of the proposed scheme of amalgamation of the company was aimed at improved organizational

capability arising from the combination of people who have diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry, that the Memorandum of Association contains an enabling clause in Clause No. 17 of the objects, incidental or ancillary to the attainment of the main objects, providing for amalgamation of the transferor, that the scheme of amalgamation has taken due care to protect the services of employees of the transferor as, under Clause 11(a) of the scheme of amalgamation, these employees would now become the employees of the transferee company, that the appointed date of amalgamation was 1.4.2006 and that the balance sheet annexed to the petition was made upto 31.3.2006, that as per the information given by the transferor company it did not have secured or unsecured loans, that as per Clause 16 of the Scheme, the petitioner company is proposed to be dissolved after the scheme is sanctioned by the Court, that an application is being filed before the Mumbai High Court as spelt out in Clause 17 of the Scheme and in view thereof, and after verification of the material papers made available to him by the petitioner, nothing adverse had come to his notice and as such he was of the opinion that the affairs of the transferor do not appear to have been conducted in any manner prejudicial to the interests of its members or to the public interest.

The Registrar of Companies, Andhra Pradesh, in his affidavit dated 6.6.2007, states that, pursuant to the instructions received from the Regional Director, Ministry of Company Affairs, Chennai, it was decided not to make any objection to the proposed scheme but, however, the scheme may be considered subject to compliance of the requirement of Section 108-C of the Companies Act in respect of investments made by the transferor company in a body corporate in Singapore.

The transferor company holds the entire paid up share capital of M/s SDG Software Technologies Pte Limited, Singapore. In the petition filed before this Court, the petitioner would state that the business of M/s. SDG Software Technologies Pte Limited, Singapore has been transferred to the petitioner with effect from 1.9.2006. In the affidavit, filed in support of C.A.1579 of 2007, it is stated that M/s SDG Software Technologies Pte Limited, Singapore, a foreign subsidiary of the transferor does not have a place of business in India and hence the provisions of Section 108-C have no application to SDG Software Technologies Pte limited, Singapore. Section 108-C of the Companies Act reads thus:

**“Section 108: Restriction on the transfer of shares of foreign companies:-**

No body corporate, or bodies corporate under the same management, which holds, or hold in the aggregate ten percent or more of the nominal value of the equity share capital of a foreign company, having an established place of business in India, shall transfer any share in such foreign company to any citizen of India or any body corporate incorporated in India except with the previous approval of the Central Government and such previous approval shall not be refused unless the Central Government is of opinion that such transfer would be prejudicial to the public interest.”

While Sri A.Satyanarayana, learned counsel for the petitioner, would contend that, since the foreign subsidiary of the transferor does not have an established place of business in India, Section 108-C has no application, Sri A.Rajasekhara Reddy, learned Assistant Solicitor General, appearing on behalf of the Central Government, would contend that the words “established place of business in India” does not relate to the foreign company, but to the company of which the foreign company is a subsidiary. The notes and clauses to the Companies Amendment Act (1974), whereby Section 108C was inserted, make it clear that, by the new Section 108C, the restrictive provisions were made applicable to transfer of shares of foreign bodies corporate having an established place of business in India in cases where holding of shares is 10 per cent or more of the nominal share capital of the foreign company concerned and in this way it was intended to meet the situations which had come to the notice of the Government, of companies which were incorporated outside India but having substantial business in India changing hands, and funds derived from such transfers being misused, for obtaining control over other companies. It is thus evident that the restrictive provisions of Section 108C were sought to be made applicable only to such companies which, though incorporated outside India, had substantial business in India. In view of the specific averment, in the affidavit filed in support of C.A. 1579 of 2007, that the foreign subsidiary of the transferor does not have a place of business in India, the provisions of Section 108C are not attracted. The objection of the Central Government must therefore be overruled. The only question which remains to be examined is whether the scheme of amalgamation is in public interest. The Court cannot abdicate its duty simply because the statutory majority has approved it and there is no opposition to the scheme of amalgamation in Court. It must scrutinize the scheme to find out whether it is an arrangement which can, by reasonable people conversant with the subject, be regarded as beneficial to those who are likely to be affected by it. In pursuit of such an enquiry the court is not tied down by any rigid principles or strait-jacket formulae. No enumeration contained in judicial decisions of the factors which can be taken into account, howsoever precise, can be treated as exhaustive so as to limit the scope of the inquiry which, having regard to varying circumstances, might differ from case to case. The burden lies on the petitioner-company to show that the scheme of amalgamation is fair, reasonable, workable and is such that a man of business would reasonably approve. The Court would, of course, take into account the fact that it has been approved by a big majority vote, but it would not shirk its duty to scrutinize the scheme. (**Bank of Baroda Ltd. Vs. Mahindra Ugin Steel Co. Ltd.**“).

Sections 391 to 396 constitute a complete code and the provisions are in a way derogatory to the law of contract.

When it exercises the power, conferred on it by Section 391(2), to sanction the scheme of compromise or arrangement, the Court by its act is imposing the scheme on dissenting members of that class. Before taking such an action, it would be open to the court to examine the scheme before imposing it on the unwilling/dissenting members of the class. Even if all the statutory formalities are duly carried out, the Court has still the discretion either to sanction or refuse to sanction the scheme. (**Bank of Baroda Ltd.<sup>26</sup> and Bengal Hotels P. Ltd. In re**“).

The amalgamation must fulfil some felt need, some purpose, some object and that must have some co-relation with public interest. The Court is charged with a duty to ascertain whether the affairs, of both the transferor and the transferee, have been carried on not only in a manner not prejudicial to its members but also that it is not against public interest. The expression "public interest" must take its colour and content from the context in which it is used. (**Union of India Vs. Ambalal Sarabhai Enterprises Ltd.**). The Indian law, a departure from the English law, enjoins a duty on the Court to examine objectively whether the merger is, or is not, violative of public interest. What would be in public interest cannot be put in a strait-jacket. It is a dynamic concept which keeps on changing. It has been explained in Black's Law Dictionary as:-

"Something in which the public, the community at large, has some pecuniary interest, or some interest by which their legal rights or liabilities are affected. It does not mean anything so narrow as mere curiosity, or as the interests of the particular locality which may be affected by the matters in question. Interest shared by citizens generally in affairs of local, State or national Government."

It is an expression of wide amplitude. A scheme valid and good may yet be bad if it is against public interest. The

basic principle of the satisfaction, that the scheme is not contrary to public interest, is none other than the broad and general principles inherent in any compromise or settlement entered into between the parties that it should not be unfair or contrary to public policy or unconscionable. In amalgamation of companies, the courts have evolved, the principle of "prudent business management test" or that the scheme should not be a device to evade the law. (**Hindustan Lever Employees' Union Vs. Hindustan Lever Ltd.**). No court of law would ever countenance any scheme of compromise or arrangement if it finds that it is an illegal scheme or is otherwise unfair or unjust to the class of shareholders or creditors for whom it is meant. The fairness of the scheme, qua the disputing minority shareholders or creditors, also has to be kept in view by the Company Court while putting its seal of approval on the scheme.

The Company Court should examine whether the proposed scheme of compromise and arrangement is violative of any provision of law and is not contrary to public policy. For ascertaining the real purpose underlying the scheme with a view to be satisfied on this aspect the Court, if necessary, can pierce the veil of apparent corporate purpose underlying the scheme and can judiciously x-ray the same. The Company Court has also to satisfy itself that the members or class of members or the creditors or class of creditors, as the case may be, were acting bonafide and in good faith and were not coercing the minority in order to promote any interest adverse to them. It must also ensure that the scheme as a whole is also just, fair and reasonable from the point of view of prudent men of business taking a commercial decision beneficial to the class represented by them for whom the scheme is meant. (**Miheer H. Mafatlal**). Unless the scheme is shown to be contrary to any law or is such as to shock the conscience of the court or is patently unfair to the members or creditors or any class of them, or is against public interest or against public policy, the court should not come in the way of business by rejecting a bonafide scheme under Section 391. (**Zee Interactive Multimedia Ltd., In re**).

The object of the scheme, as stated in the petition, is that both the transferor and transferee companies are mainly engaged in software business and, as both the companies are in the same line of activity, it was considered proper to amalgamate the transferor with the transferee, that such amalgamation would provide a better platform for sale of products of the transferor company since the transferee has an established global marketing and implementation platform, that products of both the companies can be sold to existing customers of the companies through its enhanced product and customer portfolio, that it would increase their ability to meet competition and that the amalgamation would synergise operations and boost the profits of the transferee with less marketing and administrative costs. It is stated that amalgamation would benefit improved organizational capabilities arising from the combination of people who have diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry and that transferor and the transferee companies. The purpose and object of the scheme of amalgamation is to synergise operations, cut costs and boost profits of the amalgamated company. The petitioner is not a listed company and its entire share capital is held by the transferee. As noted above, while the transferor has incurred losses for the year ending 31.3.2007, the transferee company's profits for appropriation for the year ending 31.3.2007 is Rs.91.226 crores as compared to its previous year's appropriation of profits of Rs.51.938 Crores. Amalgamation would, thus, be in the interest of both the members and the creditors of the transferor company. The scheme also protects the service conditions of the employees of the transferor and, on the scheme of amalgamation being approved, employees of the transferor would become the employees of the transferee company without any break or interruption in their service and on terms and conditions not less favourable than those which existed in the transferor company. The contracts entered into by the transferor are also protected and can be enforced as against the transferee. It cannot also be lost sight of that, pursuant to publication of the petition in Indian Express (English) and Vaartha (Telugu) daily newspapers on 10.3.2007, no objections have been received to the scheme of amalgamation. In any view of the matter, the scheme of amalgamation cannot be said to be against public interest.

I consider it appropriate, therefore, to sanction the scheme of amalgamation. It is, however, made clear that sanction of the scheme by this Court is 'subject to the sanction of the scheme by the Mumbai High Court in the petition filed before it by the transferor company.. As required under Section 394(3) of the Companies Act, read with Rule 81 of the Companies (Court) Rules, 1959, the petitioner shall file a certified copy, of the order of this Court, with the Registrar of Companies for its registration within thirty days from the date of the order.

Sd/- K.SATYA KUMARI  
JOINT REGISTRAR

SECTION OFFICER

- 1997(1) SCC 579
- 2 (2002) 3 Comp Cas 733 (Bomb)
- 3 (2003)4 Com. L.J. 102(Bom)
- 4 (1974) Vol.44 Com. Cases 359 (Delhi)  
(1978) 48 Comp Cas 184 (Delhi)
- 6 (ALP.) Vol. 89 (1997) CC 285
- 7 (1995) 84 Comp Cas 231 (Guj)
- 8 (1980)50 Comp Gas 623 (Madras)
- 9 (1983) 53 Comp Cas 927 (Delhi)
- 10 Vol. 89 1997 CC 285 (AP)
- 11 (2002) 104 BomLR399
- 12 AIR 1965 SC 40
- 13 (1976)3 All ER 462
- 14 (1995) 1 All ER 725
- 15 (1996) 4 SCC 622
- 16 (1995)1 SCC 478
- 17 (1988)4 SCC 59
- 18 (1976) 46 ComCas227
- 19 (1977) 47 comp Cas 597 (Guj)

  
N OFFICER

// TRUE COPY //

To

1. M/s SDG Software Technologies Limited, A Company incorporated under the Companies Act, 1956 Millennium Centre, Somajiguda, 6-3-1099/1100 off, Rajbhavan Road, Hyderabad-500082
2. The Registrar of Companies 3-5-398. C.P.W.D. Buildings, Kendriya Sadan, Sultan Bazar, Koti, Hyderabad.
3. The Official Liquidator, Kendriya Sadan, 3-5-398, C.P.W.D. Buildings, Sultan Bazar, Koti, Hyderabad.
4. Sri.A.Rajasekhar Reddy, Central Government Standing Counsel, High Court Buildings, Hyderabad.
5. Two CD Copies
6. One CC to Sri.A.Satyanarayana, Advocate (OPUC).MRC\*.

HIGH COURT

DATED:: 28-9-2007

ORDER

C.P.NO.22 OF 2007

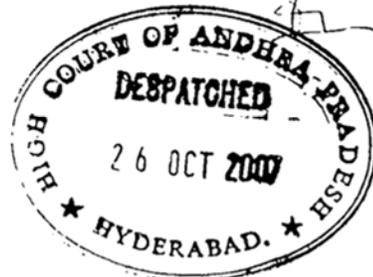
CONNECTED WITH

C.A.NO.29 OF 2007

28-9-07  
Copy 1 26-10-07  
Copy 2 26-10-07

High Court of Andhra Pradesh

ALLOWING THE COMPANY PETITION



**IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH AT HYDERABAD  
(ORDINARY ORIGINAL/CIVIL JURISDICTION)  
FRIDAY, THE TWENTY EIGHTH DAY OF SEPTEMBER TWO THOUSAND AND SEVEN  
PRESENT**

**THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN  
COMPANY PETITION NO. 22 OF 2007**

**CW  
COMPANY APPLICATION NO. 29 OF 2007**

**IN THE MATTER OF THE COMPANIES ACT (1 OF 1956)**

**AND**

**IN THE MATTER OF Sections 391 to 394 of the Said Act**

**And**

**IN THE MATTER OF M/s. SDG Software Technologies Limited**

**And**

**In the matter of M/s 3i Infotech Limited**

Between

M/s. SDG Software Technologies Limited, a Company incorporated under the Companies Act, 1956 Millennium Centre, Somajiguda, 6-3-1099/1100 off, Rajbhavan Road, Hyderabad - 500 082.

.....PETITIONER  
(Transferor Company)

Petition under Sections 391 to 394 of the Companies Act, 1956 of the Original side Rules, praying that this High Court may be pleased to

- e) That the Scheme of Amalgamation as approved and/or consented by the Share holders of the Petitioner/ Transferor Company and the Transferee Company a copy of which is filed hereto as Annexure-A5, be sanctioned and confirmed by this Hon'ble High Court so as to be binding on all the members, creditors and employees of the Petitioner Company and all concerned.
- f) For an order that the Petitioner/Transferor Company be dissolved without going through the process of Winding Up.
- g) For an order under Section 394 of the Companies Act that the Petitioner/Transferor Company do within 30 days after the date of the Orders, cause a certified copy to be delivered to the Registrar of Companies, Andhra Pradesh at Hyderabad for registration and on such certified copy being delivered or such date as this Hon'ble Court may deem fit, the Registrar of Companies, Andhra Pradesh, Hyderabad shall take all necessary consequential Actions in respect of the Petitioner Company and also dissolution of the Transferor Company without going through the process of winding up.
- h) That the parties of the Scheme or other persons interest shall be as liberty to apply to this Hon'ble Court for any direction that may be necessary in regard to the carrying out of the Scheme of amalgamation.

This Petition coming on for orders upon reading the Judge's Summons and the affidavit dated 21-02-2007 and filed by Asmita Banait, Authorised Signatory of the Transferor Company in support of this Petition and upon hearing the arguments of SRI AMBADIPUDI SATYANARAYANA, Advocate for the Transferor Company.

THE COURT DOTH ORDER AS FOLLOWS

1. That this Court doth hereby sanction the scheme of amalgamation is subject to the sanction of the scheme by the Mumbai High Court in the petition filed before it by the transferor company and doth hereby declare the same to be binding on the transferor company and the transferee company.
2. That all the property, rights and powers of the transferor company specified in the scheme of amalgamation annexed hereto and all the other property, rights and powers of the transferor company be transferred without further act or deed to the transferee company and accordingly the same shall pursuant to Section 394(2) of

the Companies Act, 1956 be transferred to and vest in the transferee company for all estate and interest of the transferor company therein but subject nevertheless to all charges now affecting the same.

3. That all the liabilities and duties of the transferor company be transferred without further act or deed to the transferee company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the transferee company.
4. That all proceedings now pending by or against the transferor company be continued by or against the transferee company.
5. That the transferee company do without further application allot to such members of the transferor company as have not given such notice of dissent as is required by the Scheme the shares in the transferee company to which they are entitled under the said scheme of amalgamation and
6. That the transferor company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the transferor company shall stand dissolved and the Registrar of Companies shall place all documents relating to the transferor company and registered with him on the file kept by him in relation to the transferee company and the files relating to the said two companies shall be consolidated accordingly.
7. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.
8. That there be no order as to costs in both the company petitions.

Sd/-  
K. SATYA KUMARI  
JOINT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To

1. M/s. SDG Software Technologies Limited, a Company incorporated under the Companies Act, 1956 Millennium Centre, Somajiguda, 6-3-1099/1100 off. Rajbhavan Road, Hyderabad - 500082.
2. The Registrar of Companies 3-5-398, C.P.W.D. Buildings, Kendriya Sadan, Sultan Bazar, Koti, Hyderabad.
3. The Official Liquidator, Kendriya Sadan, 3-5-398, C.P.W.D. Buildings, Sultan Bazar, Koti, Hyderabad.
4. Sri. A. Rajasekhar Reddy, Central Government Standing Counsel, High Court Buildings, Hyderabad.
5. Two CD copies
6. One CC to Sri. A. Satyanarayana, Advocate (OPUC), MRC\*

HIGH COURT

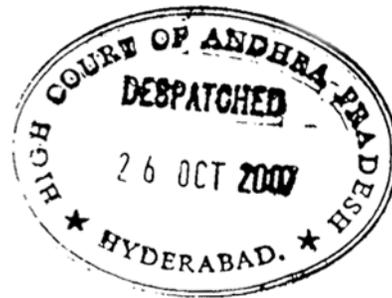
DATED : 28-9-2007

SCHEME OF AMALGAMATION

C.A. NO. 22 OF 2007

CONNECTED WITH

C.A. NO. 29 OF 2007



ALLOWING THE COMPANY PETITION

**IN THE HIGH COURT OF KARNATAKA AT BANGALORE**

**DATED THIS THE 31st DAY OF JANUARY 2008**

**BEFORE**

**THE HON'BLE Mr. JUSTICE AJIT J GUNJAL**

**COMPANY PETITION No. 15 OF 2007**

BETWEEN:

Datacons Private Limited,  
A Company incorporated under  
Companies Act, 1956, and having  
its registered office at Shantishree  
#17/1, Hosur Road, Bangalore-68,  
Represented by its Managing Director,  
Sri Shivanand Shettigar

... PETITIONER

(Sri P.D.Surana, Adv.)

AND;

NIL

...RESPONDENT

This Co.P is filed under Section 391 and 394 of the Companies Act, 1956, praying to sanction the scheme of amalgamation between M/s.Datacons Private Limited and M/s. 3i infotech Limited so as to be binding on all the shareholders, secured creditors and unsecured creditors of both the companies and on the two companies and etc.

This Co.P coming on for orders this day, the Court made the following:

**ORDER**

The transferor company was incorporated under Companies Act on 03.05.1971. The Company is engaged in the business of consulting in all aspects relating to management, data processing, information technology services providing systems integration, manufacturing, education and other services. It has its office at Bangalore. The transferee company was incorporated under the Companies Act on 11.10.1993 under the name and style of 3i Infotech Private Limited. The said transferee company is also engaged in the business of information technology products, services and information technology enable services. The transferee company has its office at Tower #5, 3rd to 6th Floors, International Infotech Park, Vashi, Navi Mumbai-400 703. The transferee company is holding 100% of equity shares of the transferor company and thus it is a wholly-owned subsidiary of the transferee company. The objects of the memorandum of association of both the companies enable the companies to amalgamate as per clause-18 of the memorandum of association of the transferor company. The transferor company is a wholly-owned subsidiary of the transferee company and the purposes of seeking amalgamation is that the transferor company is a global provider of innovative IT solutions. The transferee company has rich expertise in the banking and finance service sector and enterprise resources planning and is delivering optimised value propositions to its customer. The amalgamation of the transferor company with the transferee company will provide a better platform for the sale of the products of transferor company. The transferee company has well established global marketing and implementation platform. It is also submitted that with effect from the appointed day, all the properties, movable and immovable and all other assets of the transferor company shall be deemed to be vested in the transferee company.

2. On 01.06.2007, notice was issued to the Regional Director, ROC and also the OL. The petitioner was also permitted to take out paper publication in "The Hindu" English edition and "Vijaya Karnataka" Kannada daily on or before 13.06.2007 fixing the date of hearing as 11.07.2007. Pursuant to the said notice, the ROC has entered appearance and has filed statement of objections indicating that he has examined the scheme of amalgamation carefully with reference to the material papers made available to him and upon such examination, it has been decided not to make any representation against the scheme. The OL has also filed his report indicating that the Chartered Accountant who was appointed by this Court and who has examined the books of accounts and other records has not made any adverse finding in the functioning of the company and has given opinion that the affairs of the transferor company do not appear to have been conducted in a manner prejudicial to the interests of its members or to the public.

3. On 26.05.2006, the scheme of amalgamation was approved by the Board of Directors of the transferor company, a copy of which is produced at Annexure-C. On 20.07.2006, the scheme of amalgamation was approved by the Board of Directors of the transferee company. The shareholders have also approved the scheme of amalgamation as per Annexures- E1 to E6.

Certified copy of the balance sheet of the transferor company showing no secured or unsecured creditors of the company as on 30.09.2006 is to be found at Annexure-G. This Court dispensed with the meeting of the shareholders in CA No. 1458/2006 on 16.01.2007, copy of which is to be found at Annexure-H. Pursuant to the paper publication made in the two dailies calling for objections for the scheme of amalgamation, no objections have been received.

Consequently, the company petition stands allowed. The scheme of amalgamation proposed by the two companies, is hereby sanctioned and it would be binding on the transferor company, their shareholders and creditors, if any. The transferor company shall stand dissolved without there being any order of winding up.

Registry is directed to draw up a decree in Form-42. The petitioner to file a copy of this order with the ROC within 30 days.



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2011  
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Certified Copy Rs; 152  
Additional Rs; ✓  
Total Rs. 152

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 632 OF 2010  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 624 OF 2010

KNM Services Private Limited ... Petitioner Company.

AND

COMPANY SCHEME PETITION NO. 633 OF 2010  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 625 OF 2010

Stex Software Private Limited ... Petitioner Company.

AND

COMPANY SCHEME PETITION NO. 634 OF 2010  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 626 OF 2010

E-Enable Technologies Private Limited ... Petitioner Company.

In the matter of the Companies Act,  
1956 ;

And

In the matter of Sections 391 to 394  
of the Companies Act, 1956;

And

In the matter of Scheme of  
Amalgamation of

KNM Services Private Limited

Stex Software Private Limited

and

E-Enable Technologies Private  
Limited

with

3i Infotech Limited

Mr. Vikram B. Trivedi with Mr. Sunil Tilokchandani and Mr. Rashid Boatwalla i/b M/s. Manilal Kher Ambalal & Co. for the Petitioner Companies.

Mr. C. J. Joy and Abhijit Desai i/b Mr. H. P. Chaturvedi for Regional Director in all Petitions.

Dr. T. Pandian, Official Liquidator present in all Petitions.

**Coram : S.J. Vazifdar J.**  
**Date : 25<sup>th</sup> March, 2011**

1. Heard learned counsel for the parties.
2. This Petition has been filed for obtaining sanction to the Scheme of Amalgamation of KNM Services Private Limited, Stex Software Private Limited and E-Enable Technologies Private Limited (hereinafter referred to as "The Transferor Companies") with 3i Infotech Limited ("the Transferee Company") under Sections 391 to 394 of the Companies Act, 1956.
3. The Counsel appearing on behalf of the Petitioner Companies states that the Petitioner Companies have complied with all the statutory requirements as per the direction of this Hon'ble Court and they have filed necessary Affidavits of compliance in Court. The Petitioner Companies undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956.
4. The Regional Director has filed an Affidavit stating that the Scheme is not prejudicial to the interest of the shareholders and public.
5. The Official Liquidator has filed his report stating therein that the affairs of the Transferor Companies have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.

6. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and nor is contrary to any public policy. None of the parties concerned have come forward to oppose the Scheme.
7. Since all the requisite statutory compliances has been fulfilled Company Scheme Petition Nos. 632 of 2010 to 634 of 2010 filed by the Petitioner Companies are made absolute in terms of prayer clauses (a) to (h) of the respective Petitions.
8. The Transferee Company to lodge a copy of this order and the said scheme of amalgamation, duly authenticated by the Company Registrar, High Court, (O.S.), Bombay with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 30 days from the date of this order.
9. The Petitioner Companies in all Petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai and also to the Official Liquidator, High Court, Bombay, within four weeks from the date of this order.
10. Filing and issuance of the drawn up order is dispensed with.
11. All authorities concerned to act on a copy of this order along with the said Scheme of Amalgamation duly authenticated by the Company Registrar, High Court (O.S.), Bombay.



*S.J. Vazifdar J.*  
(S.J. Vazifdar J.)

CERTIFIED TO BE A TRUE COPY  
this 28<sup>th</sup> day of Mar 2011

*SSAgate*  
For Prothonotary and Senior Master *M*

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 219 OF 2011

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 155 OF 2011

In the matter of the Companies Act, 1956;

And

In the matter of Sections 391 to 394 of the  
Companies Act, 1956;

And

In the matter of Scheme of Amalgamation of  
Fineng Solutions Private Limited with  
3i Infotech Limited.

Fineng Solutions Private Limited

... Petitioner Company

Mr. Vikram B. Trivedi with Mr. Sunil Tilokchandani and Mr. Rashid Boatwalla  
i/b M/s. Manilal Kher Ambalal & Co. for the Petitioner Company.

Ms. Jyotsna Pandhi i/b Mr.H. P. Chaturvedi for Regional Director  
Mrs. R.N.Sutar, Asst. Official Liquidator present.

Coram : S.C. Dharmadhikari J.

Date : 14<sup>th</sup> October, 2011

1. Heard learned counsel for the parties.

2. This Petition has been filed for obtaining sanction to a Scheme of Amalgamation of Fineng Solutions Private Limited, the Transferor Company with 3i Infotech Limited, the Transferee Company under Sections 391 to 394 of the Companies Act, 1956.
3. The Counsel for the Petitioner stated that by an order passed by this Court in Company Summons for Direction No. 155 of 2011 on 25<sup>th</sup> February, 2011 the filing of separate Application and Petition under Sections 391 to 394 of the Companies Act, 1956 by 3i Infotech Limited, the Transferee Company was dispensed with. Hence, no Petition is filed by the Transferee Company.
4. The Counsel appearing on behalf of the Petitioner Company states that the Petitioner Company has complied with all the statutory requirements as per the direction of this Court and they have filed necessary Affidavit of compliance in Court. The Petitioner Company undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956.
5. The Regional Director has filed an Affidavit in the above Petition stating that save and except as stated in paragraph 6 (a) and 6 (b) thereof, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of an Affidavit filed by the Regional Director it is stated that:-
  - “6. That the Deponent further submits that:-
    - (a) As per Clause No.1.2 of the scheme the appointed date is 01/04/2010. However, Clause No. B-12 of the scheme reveals that by way of Business Purchase Agreement dated 01/07/2010 the entire assets/liabilities of the Transferor Company have been transferred to the Transferee Company.

Further clause B-10 of the scheme reveals that there are no employees of the Transferor Company as on date. In view of the above, by way of the subsequent agreement entered on 01/07/2010 between the Transferor Company and Transferee Company what is sought to be achieved by the Transferee Company as on 01/04/2010 (appointed date) is redundant and therefore nothing survives in this scheme. In this regard Transferee Company vide its letter dated 11/08/2011 has clarified the justification for keeping appointed date as 01/04/2010 and further justifies need for entering into Business Purchase Agreement on 01/07/2010. The reply given by the company is satisfactory and the same is placed before the Hon'ble High Court for information. A copy of letter dated 11/08/2011 of M/s. 3i Infotech Limited (Transferee Company) is attached as annexure hereto and marked as **EXHIBIT 'D'**.

(b) The Registrar of Companies, Mumbai is in receipt of complaint against the Transferee Company in respect of suspicious transactions made by the company and compliance of the Companies Act, 1956/FEMA/FERA and RBI and submitted his report to the Ministry and same is under consideration of the Ministry of Corporate Affairs/Regional Director. However the Ministry of Corporate Affairs/Regional Director/Registrar of Companies and other Regulatory agencies reserves their rights to take necessary penal action against the Transferee Company and its officers in default, if any offence is established against them."

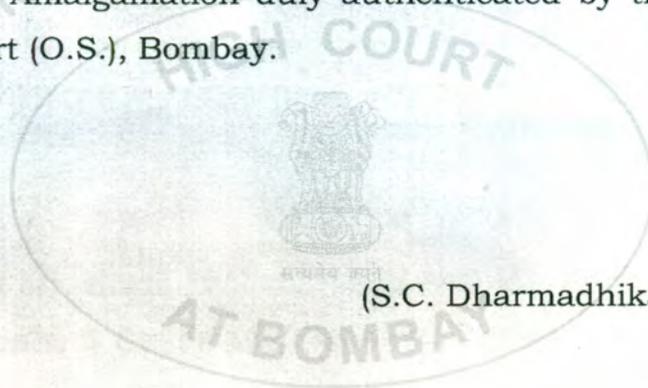
6. As far as the contents of paragraph 6(a) of the Affidavit of Regional Director are concerned, the Counsel for the Petitioner states that the Transferee Company has suitably replied vide letter dated 11<sup>th</sup> August, 2011 to the query raised by the Regional Director. The Regional Director in his Affidavit has found the explanation given by the Company to be satisfactory.

7. As far as the contents of paragraph 6(b) of the Affidavit of Regional Director are concerned, the Counsel for Petitioner states that the

Ministry of Corporate Affairs/Regional Director/Registrar of Companies and other Regulatory agencies shall have rights to take necessary penal action against the Transferee Company and its officers in default if and when any offence is established against them. Counsel for the Petitioner further states that the same is not a subject matter of the present Company Scheme Petition.

8. The Official Liquidator has filed his report stating therein that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved.
9. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned have come forward to oppose the Scheme.
10. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 219 of 2011 filed by the Petitioner Company is made absolute in terms of prayer clauses (a) to (i) of the Petition.
11. The Transferee Company to lodge a copy of this order and the said Scheme of Amalgamation, duly authenticated by the Company Registrar, High Court, (O.S.), Bombay, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of this order.

12. The Petitioner Company to pay costs of Rs.10,000/- to the Regional Director, Western Region, Mumbai and also to the Official Liquidator, High Court, Bombay within four weeks from the date of this order.
13. The Petitioner Company to file a copy of this order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with e-form 21 in addition to the physical copy, within 30 days from the date of issuance of the order by the Registry.
14. Filing and issuance of the drawn up order is dispensed with.
15. All authorities concerned to act on a copy of this order along with the said Scheme of Amalgamation duly authenticated by the Company Registrar, High Court (O.S.), Bombay.



(S.C. Dharmadhikari J.)

**TRUE COPY**

*mm*  
17/10/11  
**Section Officer**  
High Court, Appellate Side  
Bombay



## MINUTES OF ORDER

Upon the Application of the Applicant Company abovenamed by a Summons for Direction AND UPON hearing Mr. Rashid Boatwalla, Advocate, instructed by M/s. Manilal Kher Ambalal & Co., Advocates for the Applicant Company, AND UPON reading the Affidavit dated 25<sup>th</sup> July, 2011 of Mr. Amar Chintopanth, Dy. Managing Director and Chief Financial Officer of the Applicant Company in support of Summons for Direction alongwith the Exhibits therein referred to, IT IS ORDERED:-

1. That convening and holding the meeting of Equity Shareholders of the Applicant Company, for the purpose of considering and, if thought fit, approving, with or without modifications), the proposed Scheme of Amalgamation of J&B Software India Private Limited, the Transferor Company with 3i Infotech Limited, the Transferee Company, is dispensed with in view of the averments made in paragraphs 17 and 18 of the Affidavit in support of the Company Summons for Direction, inter alia, stating that the Transferor Company is a wholly owned subsidiary of the Applicant Company and that the present Scheme does not affect the rights of the Equity Shareholders of the Applicant Company and does not involve a reorganization of Equity Share Capital of the Applicant Company.

2. That the convening and holding the meeting of Preference Shareholders of the Applicant Company, for the purpose of considering and, if thought fit, approving, with or without modifications), the proposed Scheme of Amalgamation of J&B Software India Private Limited, the Transferor Company with 3i Infotech Limited, the Transferee Company, is dispensed with in view of the averments made in paragraphs 17 and 18 of the Affidavit in support of the Company Summons for Direction, inter alia stating that the Transferor Company is a wholly owned subsidiary of the Applicant Company and that the present Scheme does not affect rights of the Preference Shareholders of the Applicant Company and does not involve a reorganization of Preference Share Capital of the Applicant Company.
  
3. That the convening and holding of the meeting of Secured Creditors and Unsecured Creditors of the Applicant Company, for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation of J&B Software India Private Limited, the Transferor Company with 3i Infotech Limited, the Transferee Company is dispensed with in view of the averments made in paragraphs 17 and 18 of the Affidavit in support of the Company Summons for Direction, inter alia, stating that the transferor Company having no secured or unsecured creditors,

the rights /interests of the Secured and Unsecured Creditors of the Applicant Company shall remain unaffected and that the Scheme will not adversely affect the rights and interest of any of the Creditors, Secured or Unsecured of the Applicant Company in any manner whatsoever.

4. The filing of Company Scheme Petition under Section 391 to 394 of the Companies Act, 1956 by the Transferee Company seeking sanction to the proposed Scheme is dispensed with in view of the averments made in paragraphs 2 (ii) and 17 and 18 of the Affidavit in Support of the Company Summons of Direction.

(S. J. Kathawalla, J.)

