

MEMORANDUM  
and  
ARTICLES  
of  
ASSOCIATION  
OF

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**MODI & MODI REAL ESTATES  
PRIVATE LIMITED**

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प्रारूप आई आर

Form I

[See Regulation 16(1)]

निगमन का प्रमाण - पत्र

# CERTIFICATE OF INCORPORATION

ता ०१:-..... का सं .....

No. 42687 of 20 03 - 2004

मै एतद्वारा प्रमाणित करता हूँ कि आज .....

कम्पनी अधिनियम, 1956 के आधीन निगमित की गई है यह कम्पनी परिसीमित है।

I hereby certify that **MODI & MODI REAL ESTATES PRIVATE LIMITED**

is this day incorporated under the Companies Act, 1956 \* (and that the Company is limited.)

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

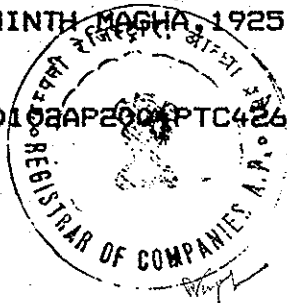
Given under my hand at **HYDERABAD** this **EIGHTEENTH**

day of **FEBRUARY** **FOUR**  
Two thousand and .....

(**TWENTY NINTH MAGHA, 1925 SAKA**)

CIN - U70102AP2004PTC42687

Seal  
जे.एस.सी. - 1  
J.S.C - 1



**(V. G. SATHIYA MURTHY)**  
कम्पनियों का रजिस्ट्रार  
Registrar of Companies  
Asst. Andhra Pradesh  
Hyderabad.

\* TO BE OMITTED IN RESPECT OF UNLIMITED COMPANY



**INCORPORATED UNDER THE COMPANIES ACT, 1956  
(1 of 1956)  
COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION  
of**

**MODI & MODI REAL ESTATES  
PRIVATE LIMITED**

- I. The name of the Company is **MODI & MODI REAL ESTATES PRIVATE LIMITED**.
- II. The Registered Office of the Company will be situated in the State of Andhra Pradesh.
- III. The objects for which the Company is established are the following.:
  - (A) **THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :**
    1. To carry on in India or else where the business of builders, contractors, designers, architects, decorators, furniture, consultants, constructors, brokers of all types of buildings and

structures including houses, flats, apartments, offices, godowns, warehouses, shops, factories, sheds, hospitals, hotels, holidays resorts, shopping cum residential complexes and to develop, erect, maintain, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, lease, let on hire commercialize, turn to account, fabricate, handle & control all such buildings & structures and to purchase, sale or deal in all types of immovable properties for development, investment, or for resale and to act as buyer, seller, importer or otherwise to deal in all types of building raw materials, goods, fittings, parts, accessories, knowhow, consumables, plants & machineries, tools & tackles used for the foregoing purpose.

2. To purchase, sell, develop, take in exchange or on lease, hire or otherwise acquire, whether for investment or sale, or working the same, any real or personal estate including lands, building, factories, mill, houses, cottages, shops, depots, warehouses, machinery, plant, stock-in-trade, mineral rights, concessions, privileges, licences, easements or interest in or with respect to any property or interest in or with respect to any property whatsoever for the purpose of the Company in consideration for a gross sum or rent or partly in one way and partly in the other or for any other consideration and to carry on business as proprietors of flats and buildings and to let on lease or otherwise apartments therein and to provide for the conveniences commonly provided in flats, suites and residential and business quarters.
3. To carry on the business of builders, contractors, dealers in and manufacturers of prefabricated and precast houses, buildings and erections and materials, tools, implements, machinery and metalware in connection therewith.
4. To carry on the business of sale, purchase of immovable and landed properties, to improve, and develop lands for the purpose of sale or otherwise and to develop, manage residential, commercial properties and houses and all kinds of real estate business.

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

1. To acquire and take over any going concern's business dealing in the products of the company and their intermediaries and such other products at any place or places as carried on by them as a partnership firm, proprietary concern, with all or any of the assets and liabilities of the said concern including imports and other quota, rights, licences, permits, telephone and all other properties movable, immovable, and all trades connected thereto to adopt to become parties and to enter into such agreement or other deeds, instruments and writing as may be deemed proper or advisable and to agree to make such modification therein as may be thought fit and to carry the same into effect with or without modification and to give or acquire know-how, technical information specification data, methods of analysis tour from any Indian/Foreigner, person/s, Firms/s Company/ Companies in any part of the world and to establish business, branches, offices, research centers, import/export houses and/or to acquire, purchase, hire, manage, control, supervise either solely or jointly or in collaboration with any Indian and/or Foreign person(s), firm(s), Industry(s).

Company(s), business, shop, factory in any part of the world for the purpose of carrying out the objects of the company.

2. To act as franchiser or otherwise deal in all sorts of items, systems, plants, machines, instruments, apparatus, appliances, devices, articles or things of computer different models, capacities, characteristics, applications, and uses in all its branches such as computer communications, or other systems as may be discovered in future and carry out all the foregoing activities for components, parts, fittings, fixtures, accessories, tools, devices and systems.
3. To invest and deal with the money of the Company in immovable properties, shares, stocks, bonds debentures, or other securities of any Company or association or in Government securities or in current or in fixed deposit accounts with banks or on mortgage of immovable properties of any tenure or on the pledge of movable property or in any other manner as may from time to time be determined by the directors of the company for the time being and from time to time sell or vary such investments, and to execute all assignments, transfers, receipts and documents that may be necessary in that behalf.
4. To accumulate funds, to lend, invest or otherwise, employ moneys belonging to the company to individuals firms, companies, Government or quasi-Government authorities or whomsoever as the company may choose with such securities or without securities upon such terms and conditions as may be determined from time to time.
5. To draw, make, accept, endorse, discount, execute and issue promissory notes, cheques, bills of exchange, bills of lading warrants, debentures, and other negotiable or transferable instruments but not to do any banking business as defined in the Banking Regulation Act 1949.
6. To purchase or otherwise acquire, sell, dispose of or hire, let on hire, and deal in immovable property of all kinds and in particular land, buildings, machinery, plant, warehouse, workshops, hereditaments, business concerns, and undertakings, mortgages, charges, annuities, patents, copyrights, licenses, shares, stocks, debentures, securities, concessions, options, produce, policies, book-debts and claims and any interest in immovable or movable property and any claims against such property, or against any person or Company and to carry on such business concern or undertaking so acquired.
7. To enter into any arrangements with any governments or authorities supreme, municipal, local, Panchayat or otherwise or any corporation, companies or persons that may seem conducive to the attainment to the company's objects or any of them or persons, and charters, contracts, decrees, rights, privileges and concessions which the Company may think desirable and to carry out, exercise, and comply with such charters, decrees, rights, privileges and concessions and to oppose any rights, privileges, concessions any imposition or alteration or cancellation of any taxes or duties or tariffs which may seem or be calculated directly or indirectly to prejudice the Company's Interest.

8. To promote any company or companies for the purpose of acquiring all or any of the property, rights & liabilities of this company or for any other purpose which may seem directly or indirectly calculated to benefit the company.
9. To facilitate & encourage & assist in the creation, issue or conversion of debentures, bonds, obligations, shares, stocks & securities & to act like trustees in connection with any securities & take part in the conversion of business concerns & undertakings into companies to carry out all kinds of promotion of business, and in particular to constitute, float, assist & control any companies, associations or undertakings whatsoever.
10. To undertake & execute any trusts the undertaking whereof may seem desirable and also to undertake the office of executor, administrator, receiver, treasurer, registrar & to keep for any company, government authority or body any registrar relating to any stocks, funds, or shares, or any securities or to undertake any duties in relation to the registration of transfers, the issue of certificates or other wise.
11. To amalgamate with any other company who's objects are or include objects similar to those of this company, whether by sale or purchase (for full or partly paid up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid, with or without winding up, by sale or purchase (for fully or partly paid up shares otherwise) of all or a controlling interest in the shares or stocks of this or say such other company aforesaid, or by partnership or any arrangement of the nature of the partnership or in other manner and to enter into parthnerships with any other partnership firm, individual or company or into any arrangement for shares, profits, joint-ventures or to lend money or guarantee the contracts or otherwise assist any such person, firm or company.
12. To sell, exchange, mortgage, charge, develop, let on hire, or dispose of the undertaking, property, and assets of the company or any part thereof in such manner and for such consideration as the Directors think fit, and in particular for shares (whether fully or partly paid-up) debentures or securities of any other Company having objects altogether or in part similar to those of this Company.
13. To pay all the costs, charges and expenses of and incidental to the promotion, formation, legislation and establishment of the company and the issue of its capital including underwriting or other commissions, brokers fees and charges in connection therewith and remuneration or make donations by cash or other assets or by the allotment of fully or partly paid-up shares by a call or option on shares, debentures, debenture, stocks or security of this or any other company or in any other manner whether out of the Company's capital or profits or otherwise to any person or persons for services rendered or to be rendered in introducing any property or business to the company or in placing or assisting to place or guaranteeing the subscription of any shares, debenture, stock or other company or for any other reason which the company may think proper.
14. To borrow or raise money on deposit merely for the purpose of financing the business of the company either without security or secured by liquid or fixed assets perpetual or



terminable and payable or otherwise and issue at par or at a premium or discount or by mortgage, hypothecation, pledge or other security charged on the undertaking or on all or any of the assets present or future or company including uncalled capital.

15. To provide for the welfare of the directors, ex-directors, and employees, or ex-employees of the company or its predecessors in business and the wives, widows and families, or the dependence or relations of such persons by building or contributing for the building of houses, dwellings or by grants of money, pensions, allowances, bonus, payments towards insurance or other payments or by creating and from time to time contributing or subscribing or aiding or supporting provident funds and other associations and institution, funds or trusts or conveniences and by providing or subsidizing towards places of instruction recreation, hospital, and dispensaries, medical and other attendance, and to offer assistance as the company shall think fit and to subscribe or contribute or otherwise assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects or for any exhibition or for any public, general or useful objects in accordance with the provisions of the Companies Act of 1956.
16. Subject to the provisions of the Act, to indemnify members, officers, directors, managers, secretaries, auditors, servants, and menials of the company against proceedings, costs, damages, claims and demands in respect of any thing done or ordered to be done by them for and in the interests of the Company, or for any loss or misfortune whatever which shall happen in the execution of the duties of their officers in relation thereto.
17. To obtain in India or from foreign countries any plant and machinery and other fixed or circulating assets and land and building for the company on payment in cash and partly on credit or on cash and to enter into an agreement for acquiring the same on such terms of credit as are considered suitable to the undertaking therein to pay in deferred lumpsum or in installments the cost together with interest if necessary, and to arrange for requisite security or guarantee thereof for the suppliers of such plants and machinery and other fixed and circulating assets.
18. To mortgage and charge in the undertaking and all or any of the real and personal property and assets present or future, and all or any of the uncalled capital for the time being of the company, and to issue at par or at a premium or discount, and for such consideration and with such rights, owners and privileges as may be thought fit, debentures or mortgage debentures and either permanent or redeemable or repayable and further to secure any securities of the company by a trust deed of other assurance.
19. Subject to the provisions of the Companies Act, 1956 to remunerate any persons, including directors, or any firm or corporation or any employee of the company whether by cash payment or by giving to him or them a commission on the profits of any particular transaction or a share in general profits of the company or by allotment to him or them of shares of securities of the company, credited as paid up in full or in part or otherwise, for any service rendered to the company.

20. To enter into contracts, agreements and arrangements with any other Company for the carrying out by such other company on behalf of the company of any objects for which the company is formed.
21. To take all necessary or proper steps in any legislature (Central or State) or with the authorised Government, local or municipal bodies or otherwise of any place in which the company may have interests and to carry on any negotiations or operations for the purpose of directly carrying out the objects of the Company or effecting any modification in the construction of the company or furthering the interest of its members and to oppose any steps taken by any person, company which may be considered directly or indirectly be prejudice to the interest of the company or its members, but the company shall not act as a trade union.
22. To depute or receive Directors, representatives or employees of the company to or from any part of India or abroad for the purpose of promoting, conducting more profitably all or any of the business of the company and for entering into arrangement/agreements/with any person / firm/company in India or in any foreign country on that behalf and also for purchasing or otherwise acquiring the exclusive or limited rights of exportation subject to law of the land to obtain from any Government or authority or an/one where-so-ever any order or licences, concession, privileges orders of the Board of Trade and rights or other form of statutory or official authority that may seem to the company as conducive to the carrying into effect any objects of the company, and to exercise, utilise and comply with the same.
23. To apply for purchase or otherwise acquire and protect and renew in any part of the World any patent, patent rights, divides, diversions, trade marks, designs, licences, concession and like; conferring any exclusive or non-exclusive or limited right to their use or any secret or other information to any invention which may seem capable of being used for any of the purpose of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company and use, exercise; develop or grant licence in respect of or otherwise turn to account the property, rights or information so acquired and to account the expended money upon testing or improving and such patents, inventions and rights.
24. To establish provide maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and to undertake and carry on with all scientific and technical researches, experiments, and tests of all kinds and to promote studies and research, both for scientific and technical investigation and invention, by providing, subsidising, endeavoring or assisting laboratories, workshop libraries, lectures, meetings and conferences and generally to encourage, promote and reward studies, researches, investigation, experiment tests and invention of and kind that may be considered likely to assist any of the business which the company is authorised to carry on.
25. Subject to the provisions of Section 58-A of the Companies Act, 1956 and the rules made there under and directives of Reserve Bank of India, receive money on deposit or loan

from Bank, Financial Institutions or public upon such terms as the company may approve and to guarantee the debts and contracts of customers and others provided that the company shall not carry on the business of Banking as defined under the Banking Regulation Act, 1949.

26. Subject to provisions of the Companies Act, 1956, to distribute among the members in specie any property of the company in the event of winding up.
27. To do all of the above things in any part of the world, either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others, and either by or through agents, subcontractors, trustees or otherwise and to do all such things as are incidental or conducive to the objects.
28. To subscribe or otherwise to assist or to guarantee money to charitable religious, scientific, national, public or other institutions or objects which shall have any moral or other claim to support or aid by the company either by reasons of locality or operations of public and general utility.
29. To open account or accounts with any bank or banks or bankers and to pay into and withdraw money from such account or accounts.
30. To appoint Commission Agents, Collecting Agents for promoting and achieving the objectives of the company.
31. To remunerate by cash or by other assets or by allotment of fully or partly paid shares or by call option on shares, debentures, stock or securities of this or any other company or any persons for services rendered or to be rendered in introducing any property or business to the Company.
32. To institute, conduct, defend, compound or abandon any legal proceedings, by or against the company or its officials, or otherwise concerning the affairs of the company and also to compound, all time for payment of or satisfaction of any debts due and or any claims or demands by or against the company, for arbitration and to observe and carry out the terms of the Award.
33. To establish and support the association, institution, funds, trusts, calculated to benefit employees of the company or dependents or in connection of such persons and to grant pensions and allowances, and to make payment towards insurance and to subscribe and guarantee money for charitable and benevolent objects or for any exhibition or for public, general or useful objects.
34. To insure the whole or any part of the property of the company whether fully or partly, and also to insure and protect and indemnify the company from liability fully or partly thereof either on mutual principle or otherwise.

35. To create any depreciation fund, reserve fund, insurance fund, sinking fund, or any other special fund whether for depreciation or repairs replacement, improvement, extension or maintenance of any of the properties of the company or by way of Development Rebate Reserve, Investment Allowance Reserve or for redemption of debentures or redeemable preference share or for any other purpose conducive to the interests of the company.
36. To advertise and publicise promote the sale of goods, articles or things, produced, manufactured, traded or dealt in by the Company or any wastage, surpluses etc. in a manner as may be deemed expedient including advertising in the press, posting of bills, the issue or publication of circulars, pamphlets, price lists, leaflets, catalogues, brochures or by the distribution of mementos, gifts and other articles.
37. To employ experts to investigate and examine into the conditions, prospects, value, character, and circumstances of any business concerns and undertakings and generally of any assets, property or rights, in connection with the Company's business.
38. To apply for, tender, purchase or otherwise acquire, contracts, sub-contracts, and concessions for all or any of them and to undertake, execute, carry out, dispose of or otherwise turn to account the same and to sublet, all or any contracts from time to time and upon such terms and conditions as may be thought expedient.
39. To make advance of such sum of money upon or in respect of or for the rendering of services to the Company, purchase of materials, goods, machineries stores or other property, articles and things required for the purpose of the company upon such terms with or without security as the company may deem expedient.
40. To train, to pay for the training in India or abroad of any of the Company's Directors, officers employees or any candidate in the interest of or furtherance of the Company's objects.
41. To establish and maintain or procure the establishment and maintenance of any contributory and/or non-contributory provident, pension and/or superannuation funds and/or superannuation funds and/or purchase annuities, for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any person who are or were at any time in the employment or service of the Company, or of any Company which is a subsidiary of the Company, or is allied to or associated with the Company as aforesaid and wives, widows, families, and dependents of any such persons and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such persons as aforesaid and do any of them matters aforesaid either alone or in conjunction with any such other Company as aforesaid.

**(C) OTHER OBJECTS:**

1. To carry on all kinds of agency business and to take part in the managements, supervision or control of the business or operations of any other company, association, firm or person (and to act as the agent of any such company, association, firm or person) and in connection therewith to appoint and remunerate any directors, accountants and other experts or agents.
2. To manufacture, buy, sell, export, deal in, assemble, fit, repair, convert, overhaul, alter, maintain and improve all types of electrical, electro-mechanical and electronic components, devices, equipments and appliances, equipments such as telephones, telecommunication equipment, systems, teleprinters, televisions and wireless apparatus including radio receivers, transmitters, tape recorders, broadcast, relay and reception equipments, phonographs and other equipments used in and or for audio and visual communications, apparatus and equipment including those using analog, digital or electro-magnetic waves intended for radio-telegraphic or radio-telephonic communication.
3. To act as importers, exporters, stockists, dealers, commission agents, representatives, brokers, buyers or sellers in India or abroad of goods and services of every kind and description and for that purpose perform all such acts and deeds which are ancillary or incidental to the attainment of the business aforesaid.
4. To act as advisors, technical or management consultants in India or abroad, to import, export, buy or sell technical know-how, knowledge, information or skills for the efficient running or establishment of industrial, commercial or other organisations and to perform all such acts and deeds which are incidental or ancillary to the attainment of the business aforesaid.
5. To carry on in India or elsewhere the business to manufacture, produce, process, treat, alter, convert, shape, improve, manipulate, press, hammer, cut, slit, trim, design, edge, grind, mill, machine and to act as agents, brokers, importers, exporters, buyers, sellers, traders, foundrymen, consultants, engineers, metallurgists, stockists, distributors, job-worker, vendor or otherwise to deal in all shapes, sizes, descriptions, specifications, capacities and varieties of forging items of iron, steel and their alloys used in automobiles, railways, water works, defence, power plants, oil wells, mines, agriculture, public utilities, constructions, transmissions and for other commercial, domestic and industrial purposes.
6. To generate, harness, develop, accumulate, distribute and supply Electricity by setting up Power Plants by use of liquid, gaseous or solid fuels or any other fuels including agricultural products/waste for the purpose of light, motive power and for all other purposes for which electric energy can be employed. To carry on and generate power supply either by hydro, thermal, gas, diesel oil, any other fuel including natural crude, bunker, seed oil, naptha, furnace oil and any other oils, fuels, materials necessary for generating power or through Renewable Energy Sources such as Solar, Photo, Voltaic Wind Mill, Agro waste, Prosonic fuliflora, Wood waste, Rice husk or by any other means. To Transmit, Distribute, supply and sell such power either directly or through transmission lines and facilities of Central/

State Governments, or private companies or Electrical Boards to industries and to Central/ State Governments, other consumers of electricity including for captive consumption for any industrial projects promoted by this company or promoter company and generally to develop, generate, accumulate power at any other places and to transmit, distribute, sell and supply such power.

7. To construct, establish, manage Power Stations, Boiler houses, steam turbines, Switch yards, Sub-stations, Transmission lines, accumulators, workshops and all such works necessary for generating, distributing or supply of electricity. To construct, lay down, establish, fix, erect, equip and maintain power generating machinery and electricity equipments, cables, computer control equipment, transmission lines, accumulation, fittings and apparatus in the capacity or principals, contractors or otherwise.
  8. To carry on the business as manufacturers, fabricators, producers, exporters, importers, dealers, wholesalers, retailers, agents, stockists, traders in exothermic and insulating hot tops, and antipiping compounds, desulphurisation, and de-phosphorisation compounds, teeming powders, Ingot mould castings, preformed risers and mouldable riser materials, thermic and exothermic powders, ferrous metal treatment products, non-ferrous metal treatment products, core binders, coatings for foundry applications, moulding materials and chemical, tundish liners and ladle liners.
  9. To carry on business as manufacturers, fabricators, producers, importers, exporters, dealers, agents, stockists, retailers, traders or brokers of foundry equipments, mould boxes, ingot mould materials, landing equipments, tools, gadgets, accessories, spares, chemicals, raw materials, fuel, stores, parts, apparatus and goods used in or required by the foundries and producers of steel or metal.
- IV. The liability of the members of the Company is limited.
- V. The authorised share capital of the Company is Rs.5,00,000/- (Rupees Five Lakhs only) divided into 50,000 (Fifty Thousand) Equity shares of Rs.10/- (Rupees Ten only) each with power to increase, reduce and alter its capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions in such manner as may for the time being be provided by the Companies Act, 1956 or provided by the Articles of the Company for the time being.

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

Sl. No.	Name, Address, Description, Occupation and Signature of the Subscriber	No. of Equity Shares taken by each subscriber	Name, Address, Description, Occupation and Signature of Witness
1.	<p><b>Sd/-</b>  <b>ASHISH P. MODI</b>  S/o. Pramod Chandra M. Modi  1-8-165  Prenderghast Road  SECUNDERABAD - 500 003.</p> <p>Occ : Business</p>	<p>5000  (Five Thousand only)</p>	<p><b>Sd/-</b>  <b>V. SRI PRAKASH</b>  S/o. Late V.C.S. Sarma</p> <p>183/184  New Modi Mansion  SECUNDERABAD - 500 003.</p> <p>Chartered Accountant</p>
	<p><b>TOTAL NO. OF EQUITY SHARES TAKEN</b></p>	<p>10000  (Ten Thousand only)</p>	

**PLACE : SECUNDERABAD**  
**DATE : 11.02.2004**





**INCORPORATED UNDER THE COMPANIES ACT, 1956**  
**(1 of 1956)**  
**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**  
**of**

**MODI & MODI REAL ESTATES**  
**PRIVATE LIMITED**

**PRELIMINARY**

1. Subject to as hereinafter provided the Regulations contained in Table-A in the First Schedule to the Companies Act, 1956 (hereinafter called the said Act) shall apply to this company. All references herein contained to any specified Regulations to Table-A shall be inclusive of the first and last regulations referred to above in the case of any conflict between the provision herein contained and incorporated Regulations of Table-A the provisions contained herein shall prevail.

**PRIVATE COMPANY**

2. The Company is a Private Company within the meaning of Section -3 (1) (iii) of the Act; and accordingly:

- (a) The right to transfer its shares is restricted,
- (b) the number of its members shall be limited to fifty not including the persons who are in the employment of the Company, and of persons who having been formerly in the employment of the Company, were members of the Company while in such employment and have continued to be members after the employment ceased, provided that where two or more persons hold one or more shares in the company jointly they shall, for the purpose of this definition, be treated as a Single Member,
- (c) any invitation to the public to subscribe for any shares in or debentures of the Company is hereby prohibited and
- (d) Prohibits any invitation or acceptance of deposits from persons other than its members, directors or their relatives.

### SHARE CAPITAL

- 3. The Authorised Share capital of Company is Rs.5,00,000/- (Rupees Five Lakhs only) divided into 50,000 (Fifty thousand) Equity Shares of Rs.10/- (Rupees Ten only). The Company may increase or reduce the capital and divide the shares in the capital for the time being into several classes and attach thereto respectively such preferential qualified or special rights, privileges or conditions in such manner as the Board of Directors may think fit.
- 4. The shares shall be under the control of the Directors who may allot and issue the same to such persons on such terms and conditions and at such time as the Directors think fit.
- 5. The Company shall be entitled to register any shares in the name of any minor person, represented by lawful guardian, if fully paid, and allow the dividend thereof to be collected on shares transferred by the guardian of such minor share holder as the Company deem fit, subject to the provisions of law relating to contracts.
- 6. The Company in General Meeting may alter the conditions of its Memorandum pursuant to section 94 of the said Act.
- 7. Save as herein otherwise provided the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as required by statute be bound to recognise any equitable or other claim to or interest in such share on the part of any other person.
- 8. Where in the said Act it has been provided that the Company shall have any right, privilege or authority or that the company could carry out any transaction only, if the Company is so authorised by its Articles then and in that case the Regulation hereby authorised and empowers the Company to have been permitted by the Act without there being any specific regulation in that behalf herein provided. An illustration of such rights, privileges, authorities and transaction the following are set out subject to the requirement of the said section.

Section 80 to issue Redeemable Preference Shares.

Section 92 to accept unpaid share capital although not called up.

Section 93 to pay dividend in proportion to amount paid up.

Section 94 to alter the share capital of the Company.

Section 100 to reduce the share capital of the Company.

Section 106 to alter the rights of holders of special class of shares.

Section 313 authorizing the Board to appoint Alternate Directors, etc.

#### LIEN

9. The company shall have first paramount lien upon all the shares (whether fully paid or not) registered in the name of each member (whether solely or jointly with other) and upon the proceeds of sale thereof for the debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person to or with Company, whether the period for the payment, fulfillment, or discharge thereof shall extend to all dividends from time to time declared in respect of such shares. The Board of Directors may at any time declare any share to be wholly or in part exempt from the provision of this clause.

#### CALLS ON SHARES

10. A call may exceed one - fourth of the normal value of the share and be made payable at the date fixed for payment which shall not be less than one month from the last preceding call.

#### TRANSFER AND TRANSMISSION

11. The Directors shall, subject to the exception provided in Articles -12, in their absolute discretion, have power to refuse to register the transfer of any shares to any person without assigning any reason if in their opinion such transfer is undesirable in the interest of the company and may decline to do so in case the registration of such transfer involved a contravention of Articles 2 hereof.
12. Any share may be transferred at any time by a member to his or her father or mother or to any lineal descendent of such father or mother, or to his wife or her husband or children. Any shares of a deceased member may be transferred to his executors or administrators, to the widow or husband or any such relation as aforesaid or such deceased member, being trustee, specific delegate or heirs in intestacy and shares standing in the names of the trustees of the deceased member. A share may at any time be transferred to any member of the Company.

13. No shares shall in any circumstances be transferred to an insolvent or a person of unsound mind and no shares other than fully paid up shares shall be transferred to a minor.
14. The executor or administrators of deceased member (not being one of several joint holders shall be the only person recognised by the Company as having any title to the shares registered in the name of the member and in case of the death of anyone or more of the joint registered shares.
15. No member shall transfer his share to any person other than existing member or a person approved by the Board of Directors.

#### **GENERAL MEETING**

16. Subject to Regulation 42 of Table 'A' two members present in person shall be a quorum.
17. In pursuance of Section 170 of the said Act, the following modifications shall apply with respect to General Meetings of the Company.
  - a) A General meeting of the Company may be called by giving seven days notice in writing but with written consent of all the members for the time being of the Company such meetings may be called after giving a shorter than seven days and section 171 shall apply subject to this modification.
  - b) Section 173 (2) shall not apply to the Company and accordingly where any special business is to be transacted at a General Meeting, there shall be no to annex to the notice of the Meeting any explanatory statement.
18. As provided in Section 181 of the said Act, no member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the company has exercised any right of lien.

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

19. The Chairman of the Board of Directors shall preside at the Board of General Meetings. If at any meeting the chairman is not present within fifteen minutes after the appointment time for holding such meeting the Directors or members as the case may be present shall choose one of the Directors or members as Chairman and if no Director is present or all the members or Directors present decline to take the chair then the members present shall choose one of their number of the Chairman of the meeting.
20. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hand, unless a poll is (before or on the declaration of the result of show of hands) demanded under Section 179 of the said Act, and unless hands, has or hand not been carried or has been carried or has been carried either unanimously, or by a particular

majority and an entry to that effect in the Minutes book of Company shall be conclusive of the fact without proof, of the number of proportion of the votes recorded in favour of or against that resolution. On a poll being demanded every member present in person or by proxy shall have one vote for every share held by him.

## DIRECTORS

21. Unless otherwise determined by the Company in General Meeting, the number of Directors shall not be less than Two and not more than eleven at any time including Debenture Directors if any and the nominated, technical, special, additional or alternative Directors.

22. The First Directors of the Company shall be :

1. **ASHISH P. MODI**

2. **NIRAV P. MODI**

The Directors need not hold any qualification shares.

23. (a) Any financial institution (hereinafter called Nominating body) which gives or agrees to give any loan or other form of financial assistance to the company may, if the agreement in respect of such loan or such financial assistance so stipulates, nominate its representatives on the Board of Directors (hereinafter called as nominated Directors) such Director and such representative shall cease to be a Director upon repayment of such loan or expiry of the terms stipulated in the Agreement for termination of such right nomination. Such nominating body may from time to time remove its nominees and appoint other nominees in their place.

(b) Any financial institution which gives any loan or other financial assistance to the company by way of capital participation or otherwise shall have the right to depute any of its officers to inspect the factory, accounts or other records of the Company during working hours of the company.

24. The Directors shall have power from time to time to appoint any other person as the additional or special Directors, but not more than two, so that the total number of directors shall not exceed any time the maximum number prescribed in Clause 21 of these articles.

25. The Directors shall have power to appoint any person or a nominee of an institution as an Additional Director pursuant to an agreement with such person or institution with whom the company may enter into an agreement for supply of technical know-how for rendering technical services to the company and the Directors so appointed shall not be subject to the retirement by rotation during the tenure of such agreement and such Directors shall not hold office on the expiry of such agreement.

26. The Board may appoint alternate Director to act for a Director during his absence for a period of not less than 3 months from the state in which the meetings of the Board are ordinary held.

#### **DEBENTURE DIRECTORS**

27. If and when debentures of the Company are issued the holders thereof shall have the right to appoint and from time to time to remove and re-appoint a Director or Directors in accordance with the provisions of the Trust Deed securing the said debentures. The Director appointed under Articles is herein referred to as the Debenture Director and the term Debenture Directors means the Director for the time being in the office under this Article.

#### **DIRECTORS TO DELEGATE**

28. Subject to Section 292 of the said Act, the Directors from time to time and at any time may delegate to any Managing Director, Whole-time Director, Sub-Committee of Directors or Attorney any or the powers, authorities or discretion for the time being vested in the Directors and any such appointment or delegation may be made on the such terms and conditions including power to sub-delegate as the Directors may deem fit and the Directors may at any time remove any person so appointed may annual or very such delegation but no person dealing in good faith and without notice of such amendment or variation shall be effected thereby.
29. Subject to the provisions of Section 314 of the said Act, notwithstanding anything in these Articles contained and notwithstanding the relation (if any) and the position with the company a Director is expressly allowed to work for the company and specially to do the work of the Company upon such terms and conditions and on such remuneration as the Board of Directors shall from time to time decide.

#### **DIRECTORS CAN HOLD OFFICE**

30. Subject to the provision of Section 314 of the said Act, a Director may hold any office or place of profit under the Company expediting that of an auditor, upon such terms as to the remuneration, tenure of office, etc., as may be determined by the Board, from time to time.

#### **QUORUM OF BOARD MEETING**

31. Subject to the provisions of Section 287 of the said Act, the quorum for a meeting of the Board of Directors shall be not less than one third of its total strength or two whichever is higher.
32. The remuneration of a Director shall be at such rates for each meeting of the Board or Committee of the Board attended, by him as the Board may from time to time determine

however not exceeding Rs. 250/- (Rupees Two hundred fifty only) for each such meeting attended by him. If any Director being willing, shall be called upon to perform extra service or special exertions or efforts (which expression shall include work done by a Director, as member of any Committee formed by the Directors) or to travel on Company's business the Board may remunerate him for such extra service or special exertions or efforts either by way of a daily allowance or payment of a lumpsum of money or other as they think fit.

### **PROCEEDINGS OR BOARD MEETINGS**

33. Subject to the Section 285 and 286 of the said Act, the Directors may meet together atleast once in every three months for the conduct of business. adjourn and otherwise regulate the meetings and proceedings as they may think fit and may determine what notice is to be given for Board Meetings, as they from time to time shall think expedient.

### **POWERS & DUTIES OF DIRECTORS & MANAGING DIRECTOR**

34. Without prejudice to the general powers conferred by the regulation contained in Table 'A' and these presents on the Board of Directors it is hereby expressly declared that the Directors shall have the following powers, that is to say :
- i) To purchaser otherwise acquire for the company any property rights or privileges which the company is authorised to acquire under the memorandum of Association at such price generally on such terms and conditions as they think fit.
  - ii) To pay the preliminary expenses incurred in the promotion, and registration of the Company.
  - iii) At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partly in cash, or in shares, bonds, debentures to other securities or the Company and any such share may be issued as either fully paid up or with such amount credited as paid up thereon as may be agreed upon thereon as may be agreed upon and any such bonds, debentures, or other securities may be either specially charged upon all or any of the property of the company or its uncalled capital or not so charged.
  - iv) To establish branches and to appoint agents or sub-agents in India or elsewhere or such remuneration and with such powers and authorities and power or sub-delegation or otherwise as they shall think fit.
  - v) To raise or borrow money with or without allowance of interest either from members or Directors of the Company or form any other person, firm or corporation for the purpose of the Company's business or in connection therewith in such manner and such terms and conditions as the Directors may think fit, and in particular the issue of debentures or debentures stock convertible into shares of this or any other company and as security for any such money to borrowed, raised or received to mortgage,

pledge or charge the whole or any part of property, assets or revenue of the company present or future, including uncalled capital by assignment or otherwise or to transfer or assign the same absolutely or in trust and to give the lender power of sale and other powers as may deem expedient.

- vi) To secure the fulfillment of any contracts entered into by the Company by mortgage or charge on all or any part of the assets of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- vii) Subject to Section 49 to appoint any person (where incorporated or not) to accept and hold for the company any goods or other property belonging to the company, or in which it is interested or for any other purpose and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide the remuneration of such trustee or trustees.
- viii) To execute in the name and on behalf of the company in favour of any member of Director or other person who may incur any personal liability for the benefit of the company such mortgage of the company property (present or future) as they think fit and any such mortgage may contain power of sale other powers, covenants, and provisions as shall be agreed upon.
- ix) To provide for the welfare of employees or ex-employees of the Company and the families of the dependents or connections of such person by grant of money, pensions, allowance, bonus or other payment or by creating and from time to time subscribing or contributing to provident and other funds.
- x) To appoint and at their discretion to remove or suspend such officer, clerks, agents and servants for permanent, temporary or special services, as they may from time to time deem fit.
- xi) From time to time may vary and repeal bye-laws for the regulation of the business of the Company, its Officers.
- xii) To direct, manage and supervise the business of the company and to do all acts, matters, acts, matters and things deemed necessary for carrying on and conduct the business and concerns of the Company.
- xiii) To exercise all the powers, authorities and discretions for the company except only such of them as by the said Act or these presents re-expressly directed to be exercised by the shareholders in general meetings.
- xiv) To retain all moneys belonging to the Company in their own hands or to pay the same to such bankers as they shall deem expedient and to make, sign and give all receipts, releases and other discharges for money paid or payable to the Company and for the claims and demand for the company such receipts being effectual discharge for the moneys therein stated to have been received.



- xv) Subject to Section 292 of the said Act, to delegate all or any of their power to the managers for the time being in office or to such managers, agents or to others as they may deem expedient and revoke such powers at pleasure.
- xvi) To make and file or cause to be make, kept or filed all such registers, returns and statements as required under the said Act.
- xvii) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or to otherwise concerning the affairs of the Company and also to compound or allow time for payment or satisfaction of any debts dues and any claims or demands by or against the Company.
- xviii) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- xix) To refer any claims or demands by or against the Company to arbitration and to serve and perform the awards.
- xx) To sign on the Company's behalf bills, notice, receipts, acceptances, endorsements, cheques, releases, contracts and any or all other documents.
- xxi) To invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such securities and in such manner as they think fit, and from time to time to vary or realise such investments.
- xxii) To enter into all such negotiations and contracts and execute all such contracts to 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 matter aforesaid or otherwise for the purpose of the Company.

#### **MANAGEMENT BY MANAGING DIRECTORS & WHOLE TIME DIRECTORS**

- 35. The business of the Company may be carried on by the Managing Directors and Wholetime Directors who may be appointed by the Board of Directors from time to time who shall fix their terms, qualifications, remuneration duties, authorities and powers.
- 36. The Managing Directors and the Wholetime Directors shall have such powers as the Board may delegate (without prejudice to Sec.292 of the said Act) including the powers discretions to the engagement and dismissal of office managers, Engineers, Technicians, Legal Advisors, Clerks, Assistants, Laborers and Servants and the General discretion, management and supervision of the business of the Company with full power to do all acts, matters and things deemed necessary proper or expedient for carrying on the business or concerns the Legal Advisers, Clerks, Assistants, Laborers and Servants and the general discretion, management and supervision of the business of the Company with full power to do all acts matter and things deemed necessary proper or expedient for carrying on the business or concerns of the Company and to exercise all powers, authorities and discretions

of the Company except only such of them as the by the said Act, by the shareholders in the General meeting.

#### **SEAL**

37. Notwithstanding Regulation 84 of the Table 'A' of the Act, any deed of instrument to which the seal of the Company is required to be affixed may be sealed subject to the Companies (Issue of Share Certificates) Rules, 1960, in the presence of the Directors and the Managing Director. The company may also exercise its powers under Section 50 of the said Act.

#### **WINDING UP OF THE COMPANY**

38. In a winding up the liquidator may, with the sanction of a special resolution, distribute all or any of the assets of the company in specific among the contributories with their respective rights.

#### **INDEMNITY**

39. Subject to the provision of Section 201 of the said Act, and so far as such provision permit, every Director, Manager, Secretary, Auditor and other officer or servant of the Company shall be indemnified of the Company against any liability etc. incurred by him and it shall be the duty of the Directors of the Officer or servants etc. in any way incur or become liable to by any reason or any contract entered into or act, thing done by him as such Director, Officer in any way in discharge of his duties including travelling expenses, and the amount for which indemnify is provided shall immediately attach as a lien on the property of the company and have priority as between the members over all other claims.
40. The Company may indemnify and Director or Officer of the Company or any person by the Company or auditor against any liability incurred by him in defending against 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 in which relief is granted to him by the Court.
41. Subject to the provision of Section 201 of the said Act, and so far as such provision permit, no Director, Manager or other Officer of the Company shall be liable for the acts, receipts or defaults of any other Director or for joining in any receipt of other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency or deficiency of title to any property acquired by orders of the Directors for any of the money of the Company shall invested or for any loss or damage arising from the bankruptcy, insolvency or a tortious act of any money, securities or effects shall be deposited or for any loss occasioned by any error of judgement, commissions or oversight on his part or for any other loss, damage, or damage, or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

## SECRECY CLAUSE

42. Every Director, Manager, Trustee, Member of the Committee, Officer, Servant, Agent, Accountants or other person employed in the business of the Company shall if so required by the Director, before entering upon his duties sign a declaration pledging himself to observe a strict secrecy respecting all the transactions of the Company with customers and the accountants with individuals in matters relating thereto and shall such declaration pledging himself not to reveal any of the matters which come to his knowledge in the discharge of his duties in order to comply with any of the provisions in these presents contained.

## INSPECTION

43. The Board shall from time to time determine whether and to what extent and at what times and places and what conditions or regulations, the books and documents of the Company or any of them shall be open to the inspection of the members and the member (not being a Director) shall not have any right of inspection of the accounts books or documents or the company except as conferred by status or authorized by the Directors or by a resolution of the Company in general meeting. The Books, registers and other documents required to be maintained by the Company and kept open for inspection under the provisions of the Companies Act, 1956 and particularly under the Section 49, 118, 144, 163, 196, 301, 304 and 307 of the said Act, shall be available for inspection at the Registered Office of the Company by the persons entitled thereto the extent and in the manner and on payment of the requisite fees if any specified in the aforesaid provisions, between the hours of 10 AM and 12 Noon on each business day provided, however, that the Register required to be maintained under Section 307 of the Act, shall be open for inspection of the members or holders of debentures of the Company between the hours above mentioned only during the period prescribed in sub-section 5 (a) of Section 307.

Sl. No.	Name, Address, Description, Occupation and Signature of the Subscriber	Name, Address, Description, Occupation and Signature of Witness
1.	<p><b>Sd/-</b>  <b>ASHISH P. MODI</b>  S/o. Pramod Chandra M. Modi  1-8-165  Prenderghast Road  SECUNDERABAD - 500 003.</p> <p>Occ : Business</p>	<p><b>Sd/-</b>  <b>V. SRI PRAKASH</b>  S/o. Late V.C.S. Sarma</p> <p>183/184  New Modi Mansion  SECUNDERABAD - 500 003.</p> <p>Chartered Accountant</p>
2.	<p><b>Sd/-</b>  <b>NIRAV P. MODI</b>  S/o. Pramod Chandra M. Modi  1-8-165  Prenderghast Road  SECUNDERABAD - 500 003.</p> <p>Occ : Business</p>	

**PLACE : SECUNDERABAD**  
**DATE : 11.02.2004**