MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

ICRA LIMITED

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME

COMPANY NO. 55-42749

In the Office of the Registrar of Companies, Delhi & Haryana
(under the Companies Act, 1956 (1 of 1956)

IN THE MATTER OF INVESTMENT INFORMATION AND CREDIT RATING AGENCY OF INDIA LIMITED

I hereby certify that INVESTMENT INFORMATION AND CREDIT RATING AGENCY OF INDIA LIMITED, which was originally incorporated on SIXTEENTH day of JANUARY One Thousand Nine Hundred NINETY ONE under the Companies Act, 1956 (Act 1 of 1956) under the name INVESTMENT INFORMATION AND CREDIT RATING AGENCY OF INDIA LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 read with Government of India, Department of Company Affairs Notification No. G.S.R. 507(E) dated 24-6-1985 by Registrar of Companies, Delhi & Haryana, New Delhi vide letter No. 21/55-42749/104 dated 25-1-1995 the name of the said Company is this day changed to ICRA LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at NEW DELHI this 3RD day of FEBRUARY One Thousand Nine Hundred and Ninety FIVE.

(P. SHEELA)

ASSTT. REGISTRAR OF COMPANIES,
N.C.T. OF DELHI AND HARYANA
NEW DELHI.

प्रारुप एक

Form 1

निगमन का प्रमाण-पत्र

Certificate of Incorporation

सं० 55-42749 शक 19 12

No. 55-42749 of 19 90-91

मैं एतद् द्वारा प्रमाणित करता हूं कि आज इंवेस्टमेन्ट इंफारमेशन एण्ड क्रेडिट रेटिंग एजेन्सी आँफ इण्डिया लिमिटेड

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

I hereby certify that INVESTMENT INFORMATION AND CREDIT RATING AGENCY OF INDIA 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 26 पौष, 1912 को दिया गया।

Given under my hand at NEW DELHI this SIXTEENTH day of JANUARY One thousand nine hundred and NINETY ONE

कम्पनी रजिस्ट्रार दिल्ली एवं हरियाणा

(बी. भवानी शंकर)

कम्पनी रजिस्ट्रार

दिल्ली एवं हरियाणा

(B. BHAVANI SANKAR)

Registrar of Companies

DELHI & HARYANA

G A P. 6000-11-90

Company No. 55-42749

Certificate for Commencement of Business

ब्यापार प्रारम्भ करने का प्रमाण-पत्र

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

कम्पनी अधिनियम १९५६ की धारा १४९ (३) के अनुसरण मे

I hereby certify that the INVESTMENT INFORMATION AND CREDIT RATING AGENCY OF INDIA LIMITED

मैं एतद द्वारा प्रमाणित करता हूं कि इंवेस्टमेन्ट इंफोरमेशन एण्ड क्रेडिट रेटिंग एजेन्सी ऑफ इण्डिया लिमिटेड

which was incorporated under the Companies Act, 1956 on

जो कि कम्पनी अधिनियम, १९५६ के अन्तर्गत पंजीकृत की गई थी दिनांक 26 पौष, 19 12

the SIXTEENTH day of JANUARY 19 91

and which has filed a duly varified declaration in the

और जिस ने कि यथावत निर्धारित प्रपत्र में सत्यापित घोषणा पत्र प्रस्तुत

prescribed form that the conditions of section xxxxxxxxxx

कर दिया है कि उस ने धारा xxxxxxxxxxx / १४९ (२) (क) से (ग)

149 (2) (a) to (c) of the said Act have been complied with, is entitled

की सभी शर्तों का अनुपालन कर दिया हैं, अतः ब्यापार आरम्भ करने का

to commence business.

अधिकारी है ।

Given under my hand at NEW DELHI

मेरे हस्ताक्षर से आज दिनांक 24 फाल्गुन, 1912

this FIFTEENTH day of MARCH

One thousand nine hundred and NINETY ONE

को जारी किया गया ।

। बी. भवानी शंकर ।

कम्पनी रजिस्ट्रार

दिल्ली एवं हरियाणा

(B. BHAVANI SANKAR)

Registrar of Companies

DELHI & HARYANA

(THE COMPANIES ACT, 1956)

MEMORANDUM OF ASSOCIATION
OF

ICRA LIMITED

I. The name of the Company is **ICRA Limited**

II. The Registered Office of the Company is situated in the Union Territory of Delhi.

III. The objects, for which the Company is established, are:-

(A) Main objects of the Company to be pursued on its incorporation:

1. To carry on the business of analysis, rating, evaluation and appraisal of the obligations, dues, debts and commitments, and debentures, bonds, shares, stocks and other securities of all bodies including Government (Central and State), statutory corporations, banking and financial institutions, Government Companies, private sector companies, non-profit organisations, utility companies, co-operative societies and other bodies or associations of persons, whether incorporated or not, and whether in India or abroad, for its own use, as also for use by any persons, whether natural or juridical, investors, issuers, underwriters, lenders, Government agencies, financial intermediaries, banks, financial and investment institutions, international agencies and research people.

2. To carry on the business of analysts, raters, evaluators and appraisers and the like of the firms, associations, companies, societies, agencies, institutions, non-profit organisations, whether engaged in business, industrial and commercial pursuits, or otherwise, and also, whether established and operating in India or abroad, about their credit-worthiness, financial standing, status, solvency, profitability, growth, prospects, technical, managerial and business competence, capability for technical, financial or techno-financial collaborations in joint ventures in India or abroad, either, for its own use, or, for use by any person, whether natural or juridical, investors, issuers, underwriters, lenders, Government agencies, financial intermediaries, banks, financial and investment institutions, international agencies and research people.

3. To carry on the business of analysis, rating, evaluation and appraisal of the firms, associations, companies, societies, agencies, institutes, builders, contractors, valuers, collaborators, suppliers, bankers, insurers, traders, importers, exporters, business houses, trade houses, brokers, underwriters, lessors, lenders of financial and/or fiscal services, dealers in foreign exchange, shippers, carriers by way of road, river, sea and air for the purposes of joint ventures, whether in India or abroad, promotion of

international trade, and development of business, commerce and either, for its own use, or, for use by any person, whether natural or juridical, investors, issuers, underwriters, lenders, Government agencies, financial intermediaries, banks, financial and investment institutions, international agencies and research people.

4. To disseminate, supply, furnish, provide, sell, give, send, part with, dispose of, publish, promulgate, proclaim, declare and do all such acts, deeds and activities to make public the information, knowledge, data and details of, or relating to any technical, financial, managerial, commercial, trading, industrial and business enterprise, whether private, public Government or in co-operative or service sectors, banks, financial institutions, non-profit organisations or any association of persons, whether incorporated or not, whether for consideration or otherwise, and whether in India or abroad, for use of business, industry, trade, commerce and investment.

5. To collect, classify and collate information and data relating to investments, credit, finance, resources, growth, prospects, economics, sociology, ecology, environment, management and operation of any firm, organisation, business entity, or otherwise, and, of all States, Territories, Countries and Governments all over the world, and to make available such information and data in a classified, analysed, interpreted or non-interpreted manner to any person or associations, persons, whether incorporated or not, and, whether for consideration or otherwise, for overall benefit of industry, trade, commerce, business, investment, research, economic growth and development planning.

6. To provide counsel or advice or assistance or help in obtaining counsel or advice on operational strategies relating to the future business, planning, profits, productivity, management, technology, production, products, processes, marketing and finance, and, the like, for any organisation, person and association of persons, whether in India or abroad, and, whether for consideration or otherwise.

7. To promote, subsidise, or organise and assist in the business of analysis, rating, evaluation, appraisal and diagnosis of economic, financial, commercial, social, managerial and entrepreneurial viability, the technical and techno-economic feasibility of all types of business, trade, commerce, industry and services of all organisations, associations, or parts thereof, either directly or through association with other rating organisations, or other organisations with similar or allied objects, whether in India or abroad.

(B) Objects incidental or ancillary to the attainment of the main objects:

1. To buy or sell information/research data or systems developed by the Company or other organisations.

2. To undertake or arrange market research and other surveys for specific products, businesses and organisations in furtherance of the objects of the Company.

3. To advise on the affairs of the management and supervision of any industrial or business concern or undertaking and to collaborate with any industrial and business concern or undertaking for any of the purposes of the Company.

4. To disseminate information by undertaking and providing for the publication of journals, reports, pamphlets and other literature, research papers and books in furtherance of the objects of the Company.

5. To undertake, organise, hold and facilitate training courses, schemes, classes, programmes workshops, conferences, lectures and seminars for promoting the objects of the Company.

6. To enter into any partnership or arrangement in the nature of a partnership, joint venture, co-operation or union of interest, with any person or persons, company or corporation, engaged or interested or about to become engaged or interested in the carrying on, or, conduct of any business, or enterprise which this Company is authorised to carry on or conduct, or, from which the Company would, or might derive any benefit, whether direct or indirect.

7. To form, promote, subsidise or organise and assist or aid in forming, constituting, promoting, subsidising, organising and assisting or aiding companies 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 to take or otherwise acquire hold and dispose of shares, debentures and other securities in or of any such company and to subsidise or otherwise assist any such company.

8. To enter into arrangements with any Authority or State or Central supreme or municipal, or local or otherwise which may seem conducive to the Company's objects or any of them and to obtain from any such Government or Authority any concessions, grants or decrees rights or privileges, whatsoever, which the Company may think fit or which may seem to the Company capable of being turned to account and to comply with, or work, or develop, or carry out exercise and turn to account any such arrangements, concessions, grants, decrees, rights or privileges.

9. To seek for and secure opening for the employment of capital and with the view thereto, to prospect, inquire, examine, explore and test and to despatch and employ executants, commissions and other agents in connection with the business of the Company.

10. Subject to sections 58A, 292 and 293 of the Act, to borrow or raise or secure the payment of money by the issue or sale of debentures, debenture-stock, bonds, obligations, mortgages and securities of all kinds, either perpetual or terminable and either redeemable or otherwise and to charge or secure the same by trust deed or otherwise on the undertaking of the Company including its uncalled capital, or upon any specific property and rights present and future, of the Company or otherwise.

11. To secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit and in particular by mortgages and charges upon the undertaking and all or any of the assets and property (present and future) and the uncalled capital of the Company or by the creation and issue, on such terms as may be thought expedient, of debentures, debenture-stock, or other securities of any description or by the issue of shares credited as fully or partly paid up.

12. To lend money with or without security and to make advances upon, hold in trust, issue, buy, sell, or otherwise acquire or dispose of, on commission or otherwise, any of the securities or investments of the kinds before mentioned, or to act as agent for any of the main business of the Company.

13. To facilitate and encourage the creation, issue of debentures, debenture-stock, bonds, obligations, shares, stocks and securities and to act as trustees in connection with any such securities and to take part in the conversion of business concerns and undertakings into companies.

14. To purchase, take on lease or in exchange, obtain assignments of or otherwise acquire lands and /or buildings of any tenure or description and any estate or interest in and any rights connected with any lands and/or buildings in connection with the business of the Company.

15. To erect, construct, enlarge, alter or maintain buildings and structures of every kind necessary or convenient for the Company’s business.

16. Subject to Section 293 of the Act, to sell, improve, work, develop, lease, mortgage, abandon or in any other manner deal with or dispose of the undertaking of the Company or any part thereof or any part of the property rights and concessions for such consideration as the Company may think fit and in particular for shares, debentures and other securities of any other such company having objects altogether or in any part similar to those of the Company.

17. To own, establish or have and maintain offices, branches and agencies all over India and elsewhere for serving its customers and for servicing its business.

18. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any or all States, territories, possessions, colonies and dependencies thereof and in any or all foreign countries and for this purpose to have and maintain and to discontinue such number of offices and agencies therein as may be convenient.

19. To take such steps as may be necessary to give the Company the same rights and privileges in any part of the world as are possessed by local companies or partnerships of a similar nature.

20. To give guarantees, and carry on and transact every kind of guarantee and counter guarantee and in particular to guarantee the payment of any principal moneys, interest or other moneys secured by or payable under any debentures, bonds, debenture-stock, mortgages, charges, contracts, obligations and securities and the payment of dividends on and the repayment of the capital of stocks and shares of all kinds and descriptions in connection with the business of the Company.

21. To guarantee and insure the due payment, fulfilment and performance of contracts and obligations of any kind or nature of the Company.

22. To undertake and subscribe for, conditionally or unconditionally, stocks, shares and securities of any other such company, having objects altogether similar or in part to those of the Company.

23. To appoint trustees (whether individuals or corporations) to hold securities on behalf of and to protect the interests of the Company.

24. Subject to Section 49 of the Act, to hold in the names of others any property which the Company is authorised to acquire.

25. Subject to Sections 291 and 394 of the Act, to amalgamate, enter into any partnership or partially amalgamate with or acquire the whole or any part of the business, property and liabilities of, or acquire any interest in the business or undertaking of, or enter into partnership or any arrangement for sharing profits or losses or for any union of interest, joint ownership, joint venture, reciprocal concession or co-operation with any persons, association of persons, firm or company carrying on or engaged in or about to carry on or engaged in business or transaction, which the Company is or may be authorised to carry on or engage in any business or transaction capable of being so conducted as to directly or indirectly benefit the Company, or for mutual assistance, with any such person, association, firm or Company.

26. Subject to Sections 391 and 394 of the Act, to amalgamate with any Company or Companies having objects altogether or in part similar to those of this Company.

27. Subject to Sections 58A, 292 and 293 of the Act and Rules made thereunder and directive of the Reserve Bank of India, to receive money on time deposit, loan or otherwise, upon such terms as the Company may approve, and to give guarantee and indemnities in respect of the debts and contracts of others.

28. To purchase, or otherwise acquire and undertake the whole or any part of, or any interest in the business, goodwill, property, contracts, agreements, rights, privileges, effects and liabilities of any other company, corporation, partnership body, persons or person carrying on, or having ceased to carry on, any business which the Company is authorised to carry on, or possessing property suitable for the purposes of the Company and upon such terms and subject to such stipulations and conditions and at or for such price or consideration (if any) in money, shares, money's worth, or otherwise as may be deemed advisable.

29. To purchase, take on lease or in exchange, hire or otherwise acquire any immovable or moveable property, patents, licences, rights or privileges which the Company may think necessary or convenient for any business of the Company and to develop and turn to account and deal with the same in such manner as may be thought expedient and to construct maintain and alter any buildings or works necessary or convenient for the purposes of the Company.

30. To insure the whole or any part of the property of the Company either fully or partially, to protect and indemnify the Company from liability or loss, in any respect, either fully or partially and also to insure and to protect and indemnify any part or portion thereof either on mutual principal or otherwise.

31. Subject to Section 293 of the Act, to sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other such company having objects altogether, or in part similar to those of the Company.

32. To employ experts to investigate and examine into the condition, prospects, value, character and circumstances of any business concerns and undertakings, and generally of any assets, concessions, properties or rights in connection with the business of the Company.

33. To pay for any property or rights acquired by the Company, either in cash or fully or partly paid shares or by the issue of securities, or partly in one mode and partly in another and generally on such terms as may be determined.

34. Subject to Section 293 of the Act, to sell, mortgage, exchange, lease, grant licences, easements and other rights and to improve, manage, develop, and turn to account and in any other manner deal with or dispose of the undertaking, investments, property,

assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit, including any stocks, shares or securities of any other such Company, whether partly or fully paid up, having objects altogether similar or in part to those of the Company.

35. Subject to Section 293 of the Act, to subscribe or guarantee money for any national charitable, benevolent, public, object or for any exhibition or to any institution, club, society or fund.

36. To appoint or employ, temporarily or permanently, or obtain on deputation, or engage on contract/ retainership basis, any person or persons who may be required for purposes of the Company and to pay for their services in accordance with the terms of appointment/deputation/contract.

37. To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses or dwellings or by grants of money, gratuity, pensions, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident fund, gratuity fund, insurance fund, welfare fund, benevolent fund or funds or trustees and by providing or subscribing or contributing to the places of education, training, recreation, hospitalisation, dispensaries, medical and other attendance and other assistance as the Company shall think fit.

38. For all or any of the purposes of the Company to draw, make, accept, endorse, discount, execute, issue, negotiate and sell bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable instruments with or without security and also to draw and endorse promissory notes and negotiate the same and also take and receive advances by discounting or otherwise, with or without security, upon such terms and conditions as the Company deems fit and also to advance any sum or sums of monies upon materials or other goods or any other things of the Company upon such terms and securities as the Company may deem expedient.

39. Subject to Section 293 of the Act, to subscribe, contribute or guarantee money for any general or useful object or funds or political parties or institutions, and to aid, pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or trouble or the promotion of business, industry, trade, commerce, capital or stock market and OTC Exchange, etc.

40. To communicate with chambers of commerce, other mercantile and public bodies, rating agencies in India and elsewhere, and concert and promote measures for the protection and advancement of trade, industry, commerce, investment and other facilities in connection with the business of the Company.

41. To consider, originate and support improvement in the commercial and other laws effecting trade, commerce, investment or manufacture and to promote or oppose legislation and other measure effecting such trade, commerce, investment or manufacture.

42. To indemnify directors, promoters, officers, employees 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 any loss or damage or misfortune whatever happens in execution of the duties of their office or in relation whereto in connection with the business of the Company.

43. To undertake and execute any trusts the undertaking whereof may seem desirable and either gratuitously or otherwise.

44. To distribute any of the property or assets of the Company to its Members in specie or kind subject to provisions of the Companies Act, 1956 in the event of winding up.

45. To do the above things and all such other things as are incidental or as may be thought conducive to the attainment of the above objects or any of them in India or any other 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, contractors, trustees or otherwise and to do all such things as are incidental or conducive to the attainment of the above object.

46. To provide finance to any person, firm, body corporate or any association of persons in the form of long, medium or short term loans, with or without interest and/or with or without security, equity participation, and underwriting new issues of shares and securities, guaranteeing and/or counter-guaranteeing loans from other investment sources and making funds available for reinvestment by revolving investment in connection with the business of the Company.

47. To insure or guarantee and/or counter-guarantee the payment of advances, credits, Bills of Exchange and other commercial obligations or commitments of every descriptions, as well as the fulfilment of contracts and other trading and commercial transactions of every description, whether in India or abroad, and to indemnify any person against the same, and to guarantee the payment of money, whether principal or interest, secured by or payable under or in respect of any debentures, debenture-stock, bonds, mortgage, charge, security, control or obligation of any person, association of persons or corporations, or any authority, supreme, municipal, local or otherwise.

48. To commence and carry on activities with a view to encouraging savings and investments and participations in income, profits and gains accrued to the Company from the acquisition, holding, management and disposal of securities and to sell and purchase units.

49. To buy, underwrite, invest in and acquire and hold shares, stocks, debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any Company or body corporate or unincorporated, or by a person or association in connection with the business of the Company.

50. To acquire any such shares, stocks, debentures, debenture-stock, bonds, obligations or securities by original subscription, participation in syndicates, tender, purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise, and to guarantee to the subscription thereof and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.

51. To acquire, purchase, sell, exchange, underwrite, invest in, or otherwise in any manner deal with or dispose of participation certificates, certificate of deposits, commercial papers, participation units or other similar securities and to subscribe to the same either conditionally or otherwise to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof or any other interest or benefit therein.

52. To promote, organise, manage, hold, dispose of or deal with shares or securities of Unit Trusts, Mutual Funds, Venture Capital Funds, or other bodies, whether of fixed or variable character.

53. To take part in the information, management, supervision or control of the business or operations of any company or undertaking and for that purpose to render technical and professional services and act as administrators, receivers, or in any other capacity, and to appoint and remunerate any directors, administrators or accountants or other experts or agents for consideration or otherwise in connection with the business of the Company.

54. To act as Trustees of any deeds constituting or securing any debentures, debenture-stock, or other securities or obligations and to undertake and execute any other trusts, and also to undertake the office of or exercise the powers of executor, administrator, receiver, treasurer, custodian and trust corporation in connection with the business of the Company.

55. To constitute any trusts with a view to the issuing of preferred and deferred or any other special stocks, securities, certificates or other documents based on or representing any shares, stocks, or other assets appropriated for the purposes of any such trust and to settle and regulate, and, if thought fit, to undertake and execute any

such trusts and to issue, hold or dispose of any such preferred, deferred or other special stocks, securities, certificates or documents in connection with the business of the Company.

56. To prepare and maintain accounts and other relevant records and to prepare an annual statement of accounts including the Balance Sheet of the Company.

57. To pay all costs, charges and expenses incurred in the promotion, formation, establishment and registration of the Company.

58. To do things, suitable or proper for the accomplishment of any of the purposes or the attainment of the objects or the exercise of any of the powers hereinbefore set forth, either alone or in association with financial institutions, bodies corporate, firms or individuals, and to do all other acts, deeds or things which are incidental or appurtenant to, or arising out of, or connected with the aforesaid business or powers or any part or parts thereof, provided the same be not inconsistent with any provision of law.

(C) Other Objects

1. To perform and undertake activities pertaining to leasing, giving on hire or hire-purchase, warehousing, bill marketing, factoring and related fields.

2. Without affecting the provisions of clause 29 above, provide financial assistance by means of leasing, giving on hire or hire-purchase, lending, selling, reselling, or otherwise disposing of all forms of immovable and moveable properties and assets including buildings, godowns, warehouses and real estate of any kind, nature or user, whatsoever and all types of industrial, office and other plant, equipment and machinery, including heavy or medium industrial machinery, computers, electronic data processors, tabulators, air-conditioners, medical equipment, or any system and any other items of any kind, nature or user whatsoever, whether industrial or consumer and all types of vehicles, ships or aircrafts and any other property of any kind, nature or user, whatsoever and whether required of manufacturing, processing, marketing, transporting, trading or any other commercial or service business, and for the purpose, purchasing or otherwise acquiring dominion over the same, whether new or used.

3. To purchase for investment or resale house, or building or other property of any tenure or any interest therein and to create, sell and deal in freehold and leasehold land, buildings etc., and to make advances upon the security of land or house or other property of any interest therein and generally to deal in by way of sale, lease, exchange or otherwise with land and house property, and any other property, whether immovable or moveable.

4. To transact or carry on agency business and in particular in relation to the investment of money, the sale of property and the collection and receipt of money.

5. To carry on the business of an investment company and to buy, underwrite, invest in and acquire and hold shares, stocks, debentures, debenture-stock, bonds, participations, certifications, participation remits, mutual open and or close-end funds, negotiable instruments, instruments of every description, obligations and securities issued or guaranteed by any company constituted or carrying on business in India and debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any Government, State, Dominion, Sovereign, Ruler, Commissioners, public body or authority, supreme, municipal, local or otherwise firm or person by original subscription, tender, purchase, exchange or otherwise and to deal with and turn to account the same provided always that no investment imposing unlimited liability on the Company shall be made.

IV. The liability of the Members is limited.

V. The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees fifteen crores) divided into 1,50,00,000 (One crore and fifty lakhs) equity shares of Rs.10/- (Rupees ten) 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.

Sl. No.	Names, Addresses and Description of the Subscribers	Number of Shares taken by each Subscriber	Signature (s) of the subscriber (s)	Witness
1.	DHARMENDER NATH DAVAR S/o Late Shri Daryai Lal Davar Chairman, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1(One)	Sd/- D. N. Davar	Sd/- VIPIN AGGARWAL, FCA Son of Late Shri P.L. Aggarwal C/o Vipin Rajnish & Associates 92, Defence Colony Flyover Market, New Delhi - 110024
2.	FAKIR MOHAN PATNAIK S/o Late Shri Digambar Patnaik Executive Director, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1(One)	Sd/- F. M. Patnaik	
3.	HARISH CHANDRA SHARMA S/o Late Shri Ram Narain Sharma General Manager, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1(One)	Sd/- H.C. Sharma	
4.	KAMLESH KUMAR VARSHNEY S/o Late Shri Dori Lal General Manager, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1(One)	Sd/- K. K. Varshney	

Sl.No.	Names, Addresses and Description of the Subscribers	Number of Shares taken by each Subscriber	Signature (s) of the subscriber (s)	Witness
5.	SATYA PRAKASH GUPTA S/o Late Shri Ram Rakhamal General Manager, Industrial Finance Corporation of India, Scope Complex, 7, Lodhi Road, New Delhi-110003	1(One)	Sd/- S. P. Gupta	Sd/- VIPIN AGGARWAL, FCA Son of Late Shri P.L. Aggarwal C/o Vipin Rajnish & Associates 92, Defence Colony Flyover Market, New Delhi - 110024
6.	GOPAL SARAN SAXENA S/o Late Shri Keshav Ram General Manager, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1(One)	Sd/- G. S. Saxena	
7.	DIN DAYAL S/o Late Shri Hari Chand Deputy General Manager, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1(One)	Sd/- Din Dayal	

New Delhi, Dated the 15th January, 1991.

(The Companies Act, 2013)

(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION

OF

ICRA LIMITED
(Incorporated under the Companies Act, 1956)

PRELIMINARY

1. The regulations contained in Table F in the First Schedule to the Companies Act, 2013 as amended from time to time shall apply to the Company in so far as they are not inconsistent with or repugnant to any of the regulations contained in the Articles of Association of the Company.

2. Subject headings and marginal notes hereto shall not affect the construction hereof and in These present, unless there be something in the subject or context inconsistent therewith.

3. In these Articles, words or expressions if not inconsistent with the subject or context shall bear the meanings as ascribed to them.

   (a) "**Act"** means the Companies Act 2013 (to the extent notified by the Government of India and currently in force) and any amendment thereto or any other succeeding enactment for the time being in force.

   (b) "**Annual General Meeting**" means a General Meeting of the Members held in accordance with the provisions of Section 96 of the Act or any adjourned meeting thereof.

   (c) "**Articles"** or "**These presents**" means these Articles of Association as originally framed or as altered from time to time.

   (d) "**Auditor"** or "**Auditors"** means and include those persons appointed as such for the time being by the Company or its Directors as per the provisions of the Act.

   (e) "**Beneficial Owner**" means the beneficial owner as defined in Clause (a) of Sub-section 1 of Section 2 of the Depositories Act, 1996.

   (f) "**Board**" or "**Board of Directors**" mean the 'Board of Directors' for the time being of the Company.

   (g) "**Chairman"** means a person as defined under Section 104 of the Act.

   (h) "**Company"** means ICRA Limited.

   (i) **Depository**" means a company formed and registered under the Companies Act, 1956, or the Act and which has been granted a certificate of registration to act as depository under Securities & Exchange Board of India Act, 1992; and wherein the Securities of the Company are dealt with in accordance with the provisions of the Depositories Act, 1996.

(j) "Depositories **Act, 1996**" shall include any Statuary statutory modification(s) or re-enactment(s) thereof, for the time being in force.

(k) **"Director"** means and includes a person appointed to the collective body of the directors of the Company and occupying the position of the Directors of the Company by whatever names called.

(l) "**Extraordinary General Meeting**", means an extraordinary general meeting of the Members duly called and constituted and any adjourned General Meeting thereof.

(m) "**Managing Director**", means a Director who, by virtue of an agreement with the Company or of a resolution passed by the Company in General Meeting or by its Board, by virtue of its Memorandum or this Articles of Association, is entrusted with substantial powers of management which would not otherwise be exercisable by him and includes a Directors occupying the position of a managing director, by whatever name called. For the purposes of this definition, the power to do administrative acts of a routine nature when so authorised by the Board such as the power to affix the common seal of the Company to any document or to draw and endorse any cheque on the account of the Company in any bank or to draw and endorse any negotiable instrument or to sign any certificate of share or to direct registration of transfer of any share, shall not be deemed to be included within the substantial powers of management.

(n) "**Meeting**" or "**General Meeting**" means a meeting of Members.

(o) "**Members**" means a person as defined by Section 2(55) of the Act.

(p) "**Memorandum" or** "**Memorandum of Association**" means the memorandum of association of the Company as originally framed or as altered from time to time in pursuance of any previous company law or of the Act.

(q) "**Office**" means the designated registered office for the time being of the Company pursuant to Section 12 of the Act.

(r) "**Ordinary Resolution**" shall have the meaning assigned thereto by Section 114 of the Act.

(s) "**Proxy**" means an instrument whereby any person is authorised to vote for a Member at a General Meeting on a poll as per Section 105 of the Act.

(t) "**Register**" means the Register of Members to be kept maintained in pursuance to Section 88 of the Act.

(u) "**Seal**" means the common seal of the Company.

(v) "**Writing**" or "**Written"** means and includes words printed, lithographed represented or reproduced in any mode or in any visible form.

4. Words imparting 'Singular' shall include 'Plural' and vice –versa; the words imparting 'Masculine Gender' shall include 'Feminine Gender' and vice versa; and words imparting 'person' shall include 'corporations, companies, firms and individuals'.

5. Unless the context otherwise requires, words and expressions contained in the Articles shall bear the same meaning as in the Act.

6. The provisions of the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013),wherever specifically referred to in these Articles, shall be applicable for such period till such provisions have been repealed by the corresponding provisions of the Companies Act, 2013 and thereafter such corresponding provisions of the Companies Act, 2013 shall become applicable.

7. Copies of the Memorandum and Articles of Association of the Company and every agreement and every resolution referred to in Section 117 of the Act shall be furnished to every Member at his request within such period and on payment of such sum as may be prescribed by the Act.

SHARE CAPITAL AND VARIATION OF RIGHTS

8. The authorised Share capital of the Company is Rs.15,00,00,000/- (Rupees fifteen crores) divided into 1,50,00,000 (One crore and fifty lakhs) equity Shares of Rs.10/- (Rupees ten) each capable of being increased or decreased in accordance with the Company's regulation and legislative provisions for the time being in force in that behalf.

9. The Company shall cause to be kept a Register of Members, an index of Members, a Register of debenture-holders, an index of debenture-holders, register of other security holders and index of other security holders in accordance with Section 88 of the Act.

10. The Register of Members, the index of Members, the Register and index of debenture-holders, register and index of other security holders and copies of all annual returns prepared under Section 92 of the Act, together with the copies of certificates and documents required to be annexed thereto under Section 92 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 open to inspection of any Member, debenture holder, other security holder or beneficial owner during business hours *gratis* and to inspection of any other person on payment of such sum as may be prescribed by the Act for each inspection. Any such Member debenture holder, other security holder, beneficial owner may take extracts therefrom without payment of any fee.

11. The Company shall send to any Member, debenture holder, other security holder or beneficial owner 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 to be kept under the Act, on payment of such sum as may be prescribed by the Act. The copy shall be sent within a period of 7 days from the date of deposit of fee to the Company.

12. Subject to the provisions of Section 55, any preference Shares may with the sanction of a Special Resolution, be issued on the terms that they are, or at the option of the Company, are liable to be redeemed on such terms and in such manner as the Company before the issue of the Share may by resolution determine.

13. If at any time the Share capital is divided into different classes of Shares the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provision of Section 106 and 107 of the Companies Act, 1956, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three fourth of the issued Shares of that class, or with the sanction of Special Resolution passed at a separate Meeting of holders of the Shares of that class. To every such separate Meeting, the provisions of these regulations relating to General Meetings shall mutatis mutandis apply, but so that the necessary quorum shall be five persons at least holding or representing by Proxy one third of issued Shares of the class in question.

14. Subject to the provisions of the Act, the rights conferred upon the holders of the Shares of any class issued with preferential or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

15. Except as required by law, no person shall be recognized by the Company as holding any Share upon trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or any interest in any fractional part of a Share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

16. (i) Every person whose name is entered as Member in the Register shall be entitled to receive within the timelines as may be prescribed under the applicable laws.

a) One certificate for all his Shares without payment of any charges; or

b) Several certificates, each for one or more of his Shares, upon payment of such fees as prescribed under the Act, for every certificate after the first. Every certificate shall be under the Seal and shall specify the Shares to which it relates and the amount paid up thereon.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

17. In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for the Share or Shares so held to one of several joint holders shall be sufficient delivery to all such holders.

18. If a Share certificate is worn out, defaced, mutilated or torn or if there is no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in

lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such fees as prescribed under the Act.

19. The provisions of Articles 16, 17 and 18 shall *mutatis mutandis* apply to debentures of the Company.

20. On the application of any Member holding a Share certificate for more than one Share and surrender of such certificate, the Board shall be at liberty to cancel such certificate and issue several certificates each for one or more of the Shares upon payment of such fee, if any, not exceeding rupee one per certificate.

SHARES

21. The Directors shall observe the restriction as to allotment contained in Sections 39 of the Act.

22. Subject to the provisions of Section 62 of the Act and These presents, the Shares in the capital of the Company for the time being shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of a Special Resolution 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 Board think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business 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 option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. Fully paid up Shares may also be allotted to minors through their guardian.

23. An application signed by or on behalf of an applicant for Shares in the Company followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles and every person who, thus or otherwise agrees to accept in writing the Shares and whose name is entered on the Register shall for the purpose of these Articles, be a shareholder.

24. If, by the conditions of allotment of any Shares, the whole or a part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time shall be the registered holder of the Shares of his heirs, executors, administrators and legal representatives.

25. Every Member or his heirs, executors, assignees or other representatives shall pay to the Company the portion of the capital represented by his Share or Shares which may for the time being remain unpaid thereon, in such amounts at such time or times and in such manner as the Board shall, from time to time, in accordance with the Company’s regulations require or fix for the payment thereof and so long as any moneys are due, owing and unpaid to the Company by any Member on any account. Howsoever, such

Member in default shall not be entitled at the option of the Board, to exercise any rights or privileges available to him.

26. If any Shares stand in the name of two or more persons, the one first named in the Register or to such person and to such address as the holder or joint holders may in writing direct, shall as regards receipt of dividend bonus or service of notice and all or any other matters connected with the Company, except voting at Meetings and the transfer of Shares, be deemed the sole-holder thereof but joint – holder of Shares shall be severally as well as jointly liable for the payment of the installments and calls in respect of such Shares and for all incidents thereof according to the Company's regulations.

27. Where at any time the Company proposes to increase the subscribed capital of the Company by issue of further Shares subject to sanction in the General Meeting by a Special Resolution, then:

(a) Such further 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 near as circumstances admit, to the capital paid up on these Shares at the date by sending a letter of offer subject to the following conditions;.

(b) Such offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen days and not exceeding thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined;

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. Provided that the Board may decline, without assigning any reason to allot any Shares to any person in whose favour any Member may renounce the Shares offered to him;

(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 giving that he declines to accept the Shares offered, the Board may dispose off them in such manner and to such person(s) as they may think fit, in their sole discretion and it being carried out in a manner which is not disadvantageous to the shareholders and the Company.

28. Notwithstanding anything contained in Article 27 thereof, the further Shares aforesaid may also be offered

(a) Subject to Special Resolution passed by the Company and provisions of the Act, to employees under a scheme of employees' stock option.

(b) To any person (whether or not those persons include the persons referred to in clause (a) of Article 27 hereof if it is authorized by a Special Resolution passed by the Company in General Meeting either for cash or for consideration other than cash in pursuance of Section 62 of the Act.

29. Nothing contained in Article 27 and Article 28 shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company to convert such debentures or loans into Shares in the Company. Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in its general meeting.

30. The Company may issue secured debentures in accordance with the provisions of the Act.

31. Except to the extent permitted by Section 67 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.

32. Except as ordered by a court of competent jurisdiction or as provided by the Act, no notice of any trust, expressed or implied or constructive, shall be entered on the Register of Members or of debenture-holders of the Company.

UNDERWRITING COMMISSION

33. (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of Section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section and the Rules made thereunder.

    (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in Rules made under sub-section (6) of Section 40.

    (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

CALLS ON SHARES

34. Subject to the provisions of Section 49 of the Act, Board may, from time make calls upon the Members in respect of all moneys unpaid on the Shares (whether on account of the nominal value of the Shares or by way of premium) and not by conditions of allotment thereof made payable at fixed times. A call shall be deemed to have been made when the resolution of the Board authorizing such call was passed and may be required to be paid by installments.

35. No call shall exceed one-fourth of the nominal amount of a Share, or be made payable within one month after the last preceding call was payable. Each Member shall, subject to receiving at least fourteen days notice specifying the time or times and place of payment, pay to the Company, at the time or times and places so specified, the amount called on his Shares.

36. A call may be revoked or postponed at the discretion of the Board.

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

38. Subject to the provisions of the Act, if the sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any of such interest wholly or in part.

39. Subject to the provisions of the Act, any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non – payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

40. Subject to the provisions of the Act , the Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any Shares held by him, and upon all or any of the moneys so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the Member paying the sum in advance.

41. On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member, in respect of whose Shares, the money is sought to be recovered appears entered on the Register as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of such money is sought to be recovered; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the Meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

42. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

43. The Board may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same, all or any part of the accounts of his respective Shares beyond the sums actually called up and upon the

moneys so paid in advance or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the Shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time an amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing. Provided that moneys paid in advance of calls on any Shares may carry interest but shall not confer a right to Dividend or to participate in profit. No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provision of this Article shall mutatis mutandis apply to the calls on debentures.

LIEN

44. The Company shall have a first and paramount lien upon all the Shares/debentures (other than fully paid-up Shares/debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable by him or his estate to the Company at a fixed time in respect of such Shares and no equitable interest in any Shares shall be created except upon the footing, and upon the condition that this Article is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares. The Board may at any time declare any Shares wholly or in part to be exempt from the provisions of this clause.

45. For the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as they shall think fit. No sale shall be made unless a sum in respect to which the lien exists is presently payable and until such period as aforesaid shall have arrived, and until expiration of 14 days after notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

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

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

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

47. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to the persons entitled to the Shares at the date of the sale.

FORFEITURE

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

49. The notice aforesaid shall name a further day (not being earlier than the expiry of fourteen days for the date of service of the notice) on or before which the payment required by the notice is to be made; and state that, in the event of non payment on or before the day so named, the Share in respect of which the call was made will be liable to be forfeited.

50. If the requisitions on any such notice as aforesaid are not complied with, any Share in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Share and not actually paid before the forfeiture subject to Sections 123 and 124 of the Act.

51. Any Share so forfeited shall be deemed to be the property of the Company and the Board may, sell, re-allot or otherwise dispose of the same on such terms and in such manner as it thinks fit, subject to the same restrictions and conditions as for transfer of Shares provided by these Articles.

52. The Board may at any time before any Share so forfeited shall have been sold, re-allot or otherwise dispose of, cancel the forfeiture thereof upon such conditions as it thinks fit.

53. Any Member whose Shares have been forfeited shall cease to be a member, but shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interests, expenses and other moneys owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as may be prescribed by the Directors 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. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

54. A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company and that certain Shares in the Company, have been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares. Where any Shares have been so forfeited, an entry of the forfeiture with the date thereof shall be entered into the Register of Members.

55. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof from any person the Board may appoint and nominate and execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of. The transferee shall thereupon be registered as holder of the Share.

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

57. Where any Member whose Shares have been forfeited has failed to deliver to the Company the relative certificate or certificates within fourteen days from the date of being called upon to do so, the Board may cause such certificate or certificates to be cancelled and issue a new certificate or certificates for the Shares comprised therein distinguishing it or them in such manner as the Board may think fit from the certificate or certificates not so delivered and cancelled.

58. The provisions of these regulations as forfeiture shall apply in the case of non-payment of any sum, which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of the Shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

59. Every holder of Shares in, or debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his Shares in or debentures of the Company shall vest in the event of death of such holder. Where the Shares in, or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the Shares or debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders. Nothing contained in this Article shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

60. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such Shares in or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Shares in, or debentures of the Company, the nominee shall, on the death of the shareholders or holder of debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the Shares or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.

61. Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the Shares in or debentures of the Company, in the event of his death, during the minority.

62. (i) Any person who becomes a nominee by virtue of the provision of the Article 59, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either:

a) to be registered himself as holder of the Shares or debentures, as the case may be; or

b) to make such transfer of the Shares or debentures, as the case may be, as the deceased shareholder or debenture holder, as the case may be, could have made.

63. If the nominee, so becoming entitled, elects himself to be registered as holder of the Shares or debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder and the certificate(s) of Shares or debentures, as the case may be, held by the deceased in the Company.

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

65. Subject to the provisions of Section 72 of the Act and these Articles, the Board may register the relevant Shares or debentures in the name of the nominee of the transferee as if the death of the registered holder of the Shares or debentures had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be.

66. A nominee on becoming entitled to Shares or debentures by reason of the death or insolvency of the holder, or joint holders shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the Share or debenture, except that he shall not before being registered as holder of such Shares or debentures, be entitled in respect of them to exercise any right conferred on a Member or debenture holder in relation to Meetings of the Company.

67. The Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Shares or debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, interest or other moneys payable or rights accrued or accruing in respect of the relevant Shares or debentures, until the requirements of the notice have been complied with.

68. Subject to the provisions of Articles 66 and 67, any person becoming entitled to 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 Board (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under this Article of his title, as the holder of the Shares or elect to have some person nominated by him and approved by the Board, registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing to his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Shares.

69. A person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any dividends or other moneys payable in respect of the Share.

70. An instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being, shall be duly complied with in respect of all transfer of Shares and the registration thereof.

71. Every instrument of transfer duly stamped must be accompanied by the certificate of Shares proposed to be transferred and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the Shares.

72. 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.

73. Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register in respect thereof.

74. The Board shall have power on giving seven days previous notice by advertisement in some newspaper circulating in the district in which the Office of the Company is situated to close the transfer books, the Register or Register of debenture-holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may deem expedient.

75. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said 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 deferred 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 to it of any equitable right tide or interest, or be under any liability whatsoever for refusing or neglecting so to do, 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 Board shall so think fit.

76. (a) Subject to the provisions of Section 58 of the Act, the Board may, decline to register or acknowledge any transfer of Shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a Member of the Company, unless

(i) the instrument of transfer is in the form as prescribed in rules made under sub-section (*1*) of Section 56 of the Act ;

(ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of shares

But in such case the Board shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send to the transferee and the transferor or the person giving intimation of transmission, notice of the refusal to register such transfer or transmission provided that registration of a 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, except when the Company has lien on Shares. The transfer of Shares or debentures in whatever lot shall not be refused without sufficient cause.

(b) A Member intending to sell any Share or Shares shall give notice of his intention to the Board, who shall offer any such Shares to all the Members and may thereupon find one or more Members willing to purchase the same. This shall be done within one month of receipt of such notice.

(c) In case there are more than one purchaser's, they shall be entitled to purchase the Shares in proportion to their respective holdings in the Company on the date of such notice.

77. The price payable for the purchase of Shares, unless otherwise agreed, in such case shall be their fair value. This value will be determined by the Board.

78. In the event the Board fails to find a purchaser within the period, it shall register transfer of such Shares.

79. The right of pre-emption shall not be enforced in case of transmission or transfer of Shares in favour of the heirs of a Member or mother, father, brother, sister, daughter-in-law of a Member but shall apply if the transmission is in favour of third parties.

The Company shall keep at its Office the Register and therein shall firmly and distinctly enter the particulars of every transfer or transmission of Shares. Subject to the provisions of Section 91 of the Act, the Board shall have power to close the Register for such periods, not exceeding forty-five days in aggregate in a year and thirty days at any one time, as may seem expedient to them.

ALTERATION OF CAPITAL

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

a) its share capital;

b) any capital redemption reserve account; or

c) any share/securities premium account

81. The new 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 rights to dividends and in distribution of assets of the Company and any preference Shares may be issued on the terms that they are liable to be redeemed.

82. 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 following provisions:-

(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, the capital paid up on those Shares at that date by sending a letter of offer;

(ii) The offer aforesaid shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 days and not exceeding 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; and the notice referred to in sub-clause (ii) shall contain a statement of this right;

(iv) After the expiry of time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company;

83. In addition to and without derogating from the powers for the purpose conferred on the Directors, the Company in General Meeting may in accordance with the provisions of Section 62 of the Act determine that any Shares (whether forming part of the original capital of the Company or not) 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 53 and 54 of the Act) at a discount, as such General Meeting shall determine.

84. Except so far 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 capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmissions, forfeiture, lien, surrender, voting and otherwise.

85. On the issue of redeemable preference Shares the following provisions shall take effect.

a. Such shares are liable to be redeemed within a period not exceeding twenty years.

b. No such Shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purposes of the redemption;

c. No such Shares shall be redeemed unless they are fully paid up;

d. The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's Share premium account, before the Shares are redeemed;

e. 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 except as provided under Section 55 of the Act or by These presents apply as if the Capital Redemption Reserve Account were paid up Share capital of the Company;

f. Subject to the provisions of Section 55 of the Act and this Article the redemption of preference Shares under These presents shall be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may think fit.

86. The Company may, from time to time, by Special Resolution reduce its Share capital (including the Capital Redemption Reserve Account, if any) in any way authorised by law and in particular may cancel any paid up share capital of the Company which is lost or is unrepresented by available assets or pay off any paid up Share capital which is in excess of the wants of the Company upon the footing that it may be called up again or otherwise and may and if and so far as necessary alter its Memorandum by reducing the amount of its Share capital and of its Shares accordingly.

87. Subject to provisions of Section 61 of the Act, the Company may in General Meeting by Ordinary Resolution alter the conditions of its Memorandum as follows:-

(i) Consolidate and divide all or any of its Share capital into Shares of larger amount than its existing Shares.

(ii) Sub-divide Shares or any of them into Shares of smaller amount than originally fixed by the Memorandum 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.

(iii) 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.

BUY-BACK OF SHARES

88. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

DEMATERIALISATION OF SECURITIES

89. The provisions of this Article shall apply only in respect of Securities held in Depository mode and the provisions of the other Articles shall be construed accordingly.

90. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing Shares, debentures and other Securities as also re-materialise its Shares, debentures and other Securities held in Depository mode and/or offer Securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder.

91. (a) Every person subscribing to or holding Securities of the Company shall have the option to receive Security certificates in accordance with provisions of the other Articles or to hold the same with a Depository. Such a person who is the Beneficial Owner of the Securities may/can at any time opt out of the Depository, if permitted by law, in respect of any Security in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed therein, issue to the Beneficial Owner the required certificates of Securities.

(b) If a person opts to hold his Security with a Depository, the Company shall intimate such Depository the details of allotment of Security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Security.

(c) The Board of Directors of the Company shall have the power to fix a fee payable by the investor to the Company for the services of dematerialising and or rematerializing of the Company's Securities as they in their discretion may determine.

92. (a) All the Securities held by a Depository shall be dematerialised and be fungible form.

(b) Nothing contained in Sections 89 and 186 of the said Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

93. (a) Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(c) Every person holding Securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Member of the Company.

(d) The Beneficial Owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities of a Member in respect of his Securities, which are held by a Depository.

94. Notwithstanding anything contained in the Act and these Articles where Securities are held in a Depository, the records of the Beneficial Ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs or in such other manner as may be practicable.

95. (a) Nothing contained in Section 56 of the said Act or these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(b) In the case of transfer or transmission of Shares or other marketable Securities where the Company has not issued any certificates and where such Shares or Securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

96. Nothing contained in the said Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to the Securities held with a Depository. Every fortified or surrendered Share held in a material form shall continue to bear the number by which the same was originally distinguished.

97. The Register and index of Beneficial Owners maintained by a Depository under the Depositories Act, 1996, shall be deemed to be the Register and index of Members and Security holders as the case may be for the purposes of these Articles.

DIVIDENDS AND RESERVE

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

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

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

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

101. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if

and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

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

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

102. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the Company.

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

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

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

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

106. No dividend shall bear interest against the Company.

BORROWING POWERS

107. Except as permitted under the Act, the Company shall not invite, accept or renew deposits from the public.

108. The Company may accept deposits from its members subject to and in the manner prescribed under the Act. Provided that no such deposit shall exceed ten percent of the aggregate of the paid up share capital of the Company.

109. Any debentures, bonds, or other Securities may be issued at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at General Meetings of the Company, appointment of directors and otherwise. Provided that debentures with a right of conversion into or allotment of Shares shall be issued only with sanction of the Company in General Meeting.

110. Debentures, debenture stock, bonds or other Securities may be assignable free from any equity between the Company and the person to whom the same may be issued.

111. Except as permitted under the Act or any other law for the time being in force the Company shall not, directly or indirectly, advance any loan, including any loan represented by a book debt, to any of its Directors or to any other person in whom the Director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person..

112. No investment shall be made or loan or guarantee or security given by the Company unless the resolution sanctioning it is passed at a meeting of the Board with the consent of all the Directors present at the meeting and the prior approval of the public financial institution concerned where any term loan is subsisting, is obtained.

113. Subject to the provision of Section 56 of the Act, no transfer of registered debentures shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or certificates, of the debentures.

114. If the Board refuses to register the transfer of any debentures, the Company shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal.

115. The Board shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of under the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.

116. The Company shall, if at any time it issues debentures, keep Register and index of debenture-holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any State or Country outside India a Foreign Register of debenture-holders, resident in that state or country.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

117. The Directors, with the sanction of a resolution of the Company in General Meeting, may convert any paid up Shares into stock, the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interests, in the same manner and subject to the same regulations as and subject to which the Shares from which the stock arose might have been transferred if no such conversion had taken place or as near thereto as circumstances will admit. 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.

118. The holders of stock shall, according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends and voting at the Meetings of the Company, and other matters as if they held the Shares from which the stock arose; but no such privileges or advantages (except participation in the dividends and profits of the

Company and in the assets of winding-up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.

119. Such regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

JOINT HOLDERS

120. Where two or more persons are registered as the holders of any Share the person first named in the Register shall be deemed the sole holder for matters connected with the Company subject to the following and other provisions contained in these Articles:-

(a) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

(b) The Company shall be entitled to decline to register more than 4 persons as the joint holders of any Share.

(b) The joint holders of any Share 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 Share.

(c) On the death of any such joint holders, the survivor or survivors and his nominee or nominees or legal representatives where he was a shareholder shall be the only person or persons recognised by the Company as having any title to the Share 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 held by him jointly with any other person.

(d) Any one of such joint holders may give effectual receipts for any dividends or other moneys payable in respect of such Share.

(e) Only the person whose name stands first in the Register of Members as one of the joint holders of any Share shall be entitled to delivery of the certificate relating to such Share or to receive document from the Company and any notice given to or documents served on such person shall be deemed service on all the joint holders.

(f) (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

REGISTRATION OF CHARGES

121. Where a charge of the nature referred to in Section 77 of the Act is created by the Company, the Company shall, within 30 days after its creation, file the particulars of the charge along with necessary documents with the Registrar of Companies ("**Registrar")** in accordance with the provisions of Section 77 of the Act. The Company shall also duly comply with the relevant provisions of Chapter VI of the Act in connection with registration of the charges.

GENERAL MEETINGS

122. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

123. The Board may call for an Extraordinary General Meeting whenever it thinks fit. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

124. The Board of Directors shall on the requisition of such number of Members of the Company who hold on the date of the receipt of the requisition not less than one-tenth of such paid-up share capital of the Company , forthwith proceed to call an Extraordinary General Meeting of the Company in accordance with the provisions of the Act.

125. (a) A General Meeting of the Company may be called by giving not less than 21 days notice in writing;

(b) A General Meeting may be called after giving shorter notice than that specified in sub-article (a) if consent thereto is received in accordance with the provisions of the Act.

126. (a) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat;

(b) Notice of every Meeting of the Company shall be given in accordance with the provisions of the Act

127. (i) 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 by such number of members holding not less than one percent of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees has been paid up on the date of notice.

(ii) 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 gives notice of the Meeting, or if that is not practicable, shall give 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

128. No business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the business. The quorum for the General Meeting shall be as provided in Section 103 of the Act.

129. No business shall be discussed at any General Meeting except the election of a Chairman whilst the chair is vacant.

130. The Chairman of the Directors shall be entitled to take the chair at every General Meeting. If there be no Chairman or if at any Meeting he shall not be present within fifteen minutes after the time appointed for holding such Meeting, or is unwilling to act, the Directors present may choose one of their Members to act as Chairman of the Meeting and in default of their doing so, the Members present shall choose one of the Directors to take the chair and if no Directors present be willing to take the chair, the Members present shall choose one of their number to be the Chairman of the Meeting.

131. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present the Meeting may be dissolved or adjourned in accordance with the provisions of the Act.

132. The Chairman with the consent of 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 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.

133. (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.

134. On a poll taken at a Meeting of the Company, a Member entitled to more than one vote, or his Proxy or other person entitled to vote for him as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

135. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the votes given on the poll in accordance with the provisions of the Act.

136. (a) Subject to the provisions of the Act, the Chairman of the Meeting shall have power to regulate the manner in which a poll shall be taken.

(b) The result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.

137. In the case of an equality of votes, whether on show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place or at 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.

138. 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.

139. The Company shall cause minutes of all proceedings of General Meetings to be entered in books kept for that purpose in accordance with the provisions of the Act.

140. 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, between 11 a.m. and 1 p.m. on all working days.

VOTING RIGHTS

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

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

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

142. A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.

143. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

144. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

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

146. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

147. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive

PROXY

148. Every Proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any committee or guardian may appoint such Proxy. The Proxy so appointed shall not have any right to speak at the Meeting.

149. An instrument of Proxy may appoint a Proxy either for the purpose of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every Meeting of the Company, or of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.

150. A Member present by Proxy shall be entitled to vote only on a poll.

151. The instrument appointing a Proxy and the power of attorney or other authority (if any) under which it is signed or a notarised copy of that power or authority shall be deposited at the Office not later than forty eight hours before the time for holding the Meeting or the adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of Proxy shall not be treated as valid. No instrument appointing a Proxy shall be valid after the expiration of twelve months from the date of its execution.

152. Every instrument appointing a Proxy whether for a specified Meeting or otherwise shall, be in the form as prescribed in the rules made under Section 105 of the Act.

153. A vote given in accordance with the terms of an instrument of Proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the Proxy 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 or insanity, revocation or transfer shall have been received at the Office before the Meeting.

154. No objection shall be made to the validity of any vote, except at any Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by Proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.

155. Notwithstanding anything contained in the foregoing, the Company shall transact such business, as may be specified by the Central Government from time to time, through the means of postal ballot. In case of resolutions to be passed by postal ballot, no Meeting need to be held at a specified time and space requiring physical presence of Members to form a quorum. Where a resolution will be passed by postal ballot the Company shall, in addition to the requirements of giving requisite clear days notice, send to all the Members the following:

   a. Draft resolution and relevant explanatory statement clearly explaining the reasons thereof.

   b. Postal ballot for giving assent or dissent, in writing by Members and

c. Postage prepaid envelope (by registered post) for communicating assents or dissents on the postal ballot to the Company with a request to the Members to send their communications within 30 days from the date of despatch of notice.

156. The Company shall also follow such procedure, for conducting vote by postal ballot and for ascertaining the assent or dissent, as may be prescribed by the Act and the relevant Rules made thereunder.

157. 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.

MINUTES

158. The Board shall respectively cause minutes of all proceedings of General Meetings and of all proceedings at meetings of the Board or of committee of the Board to be duly entered in books to be maintained for that purpose in accordance with Section 118 of the Act.

159. The minutes of each meeting shall contain:

(a) The fair and correct summary of the proceedings thereat.

(b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such Meeting in such books shall be dated and signed by the Chairman of the same Meeting or in the event of the death or liability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.

(c) In no case the minutes of proceedings of a Meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(d) The names of the Directors present at the Meeting, in case of Meeting of the Board or Committee of the Board.

(e) The names of the Directors, if any, dissenting from or not consenting to the resolution, in the case of each resolution passed at the Meeting of Board or committee of the Board.

(f) All appointments of officers made at any Meeting.

(g) Any such minutes shall be evidence of the proceedings recorded therein.

160. The book containing the minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

DIRECTORS

161. The number of Directors shall not be less than 3 (three) or more than 12 (twelve).

162. (a) The persons hereinafter named are that the first Directors of the Company:

(1) Dharmender Nath Davar

(2) Dhurba Narayan Ghosh

(3) Bilgi Ratnakar

(b) The first Directors shall hold office until the close of the first Annual General Meeting of the Company.

Provided that, if a vacancy arises in the office of any of the aforesaid first Directors before the close of the first Annual General Meeting of the Company, then such vacancy may be filled by the Board of Directors at a meeting of the Board.

163. The Company shall appoint such number of independent directors and on such terms and conditions as may be prescribed under the Act.

164. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the Company.

165. The Board shall have the power to fill a casual vacancy. Any Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.

166. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

167. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

168. (i) Subject to the provisions of Section 149 of the Act, the Board shall have power at any time and from time to time, to appoint a person as an additional director,

provided that the number of directors and additional directors together shall not at any time exceed the maximum strength fixed by the Board by these Articles.

(ii) Such person shall hold office only upto the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

.

169. No Director shall be required to hold any Share or qualification Shares of the Company.

170. Subject to Section 161 of the Act, the Board may appoint any person not being a person holding any alternate directorship for any other Director in the Company to act as alternate Director for a Director during his absence for period of not less than three months from India and the alternate Director so appointed shall not hold office as such for a period longer than that permissible to the original Director in whose place he had been appointed and shall vacate the office if and when the original Director returns to India. The alternate Director shall be entitled to notice of the Meeting of the Board and to attend and vote there accordingly but he shall not be required to hold any qualification Share. Provided that no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act.

171. (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, with a body corporate in which such Director or such Director in association with any other Director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or with a firm or other entity in which, such Director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the Meeting of the Board of Directors and not participate in the Meeting. Provided a contract or arrangement entered into by the Company without disclosure of interest by the Director or with the participation by a Director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement shall be voidable at the option of the Company.

(b) Nothing in this 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 arrangements with the Company.

172. A Director of this 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 the Act and These presents no such Director shall be accountable for any benefits received as Director or Member of such company.

PROCEEDINGS OF MEETINGS OF DIRECTORS

173. (i) The Board of Directors may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

174. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

175. The Board and the committees constituted by the Board may conduct its Meetings through video conferencing or other audio visual means in the manner prescribed under section 173 of the Act and rules prescribed thereunder.

176. (i) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting. Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one independent director, if any.

(ii) The quorum for a meeting of the Board of Directors 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 and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this Article. In the case of a meeting through audio visual means the Chairman shall ensure that the quorum is maintained throughout the meeting.

(iii) A Director may, and the manager or secretary on the requisition of a Director shall at any time, summon a Meeting of the Board in accordance with the provisions of the Act.

(iv) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(v) In case of an equality of votes, the chairman of the Board, if any, shall have a second or a casting vote.

(vi) The continuing Director may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by These presents for a meeting of the Board, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that fixed for quorum, or of summoning a General Meeting of the Company, but for no other purpose.

(vii) The Board may elect a chairman for its Meetings and determine the period for which he is to hold office.

(viii) If no such chairman is elected, or if at any Meeting the chairman is not present within five minutes after the time appointed for holding the Meeting, the Directors present may choose one of their numbers to be chairman of the Meeting.

(ix) The Board may, subject to the provisions of the Act, delegate any of its powers to committee consisting of such Member or Members of its body as it thinks fit.

(x) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

(a) A committee may elect a chairman of its Meetings.

(b) If no such chairman is elected, or if at any Meeting the chairman is not present within five minutes after the time appointed for holding the Meeting, the Members present may choose one of their number to be chairman of the Meeting.

(xi) A committee may meet and adjourn as it thinks proper.

(xii) Question arising at any Meeting of a committee shall be determined by a majority of votes of the Members present, and in case of an equality of votes, the chairman shall have a second or casting vote.

(xiii) All acts done by any Meeting of the Board or of a committee thereof or by any person acting as a Director, shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

(xiv) Save as otherwise expressly provided in the Act, a resolution in writing signed by all the Members of the Board or of a committee there of, for the time being entitled to receive notice of a meeting of the Board or committee shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

177. **Passing of Resolution by Circulation**

Subject to the provisions of the Act, a resolution shall be deemed to have been duly passed by the Board or a committee thereof by circulation if such resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or members of the committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier or through electronic means which may include e-mail or fax and has been approved by a majority of the Directors or members, who are entitled to vote on that resolution. Provided that where not less than one-third of the total number of Directors of the Company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided in a Meeting of the Board. Such resolution shall be noted at the subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

POWERS OF DIRECTORS

178. Subject to the provisions of the Act, the Board shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise and do.

Provided that the Board shall not exercise any power or do any act or thing which is directed or required by the Act to be exercised or done by the Company in General Meeting.

Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf, contained in the Act or in the Memorandum or Articles of the Company or in any regulation not inconsistent therewith and made thereunder including regulations made by the Company in General Meeting.

179. 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;
(ii) the power to issue debentures;
(iii) the power to borrow moneys otherwise than by debentures;
(iv) the power to invest the funds of the Company; and
(v) the power to make loans;
(vi) Such other powers as may be permitted under the Act and the rules prescribed thereunder.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of Directors, the managing Director, the manager, or any other principal officer or in the case of a branch office of the Company, the principal officer of the branch office, of the Company the powers specified in Section 179 of the Act and Rule 8 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as permissible under the law.

180. The Board shall not take any such action on matters which require approval of the Members as per the provisions of the Act.

181. Without prejudice to the general powers conferred by Article 178 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:-

(i) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

(ii) To have an Official Seal for use abroad.

(iii) To keep foreign Register in accordance with the provisions of the Act.

(iv) To purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorised to acquire at such price and on such terms and conditions as they think fit.

(v) 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 any such Shares may be issued whether 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 specially charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

(vi) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any polices of assurance effected in pursuance of this power.

(vii) 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 account, from time to time, as the Directors may think fit.

(viii) To secure the fulfilment of any contracts or engagements 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.

(ix) 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 payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.

(x) To accept from any Member on such terms and conditions as shall be agreed a surrender of his Shares or stocks or any part thereof.

(xi) 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.

(xii) 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.

(xiii) To refer any claim or demand by or against the Company to arbitration and observe and perform the awards.

(xiv) To act on behalf of the Company in all matters relating to bankrupts and insolvents.

(xv) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.

(xvi) 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.

(xvii) 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 realise such investments.

(xviii) 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 mortgages of the Company's property (present and future) as they think fit, and any such mortgages may contain a power of sale and such other powers, covenants, and provisions as shall be agreed on.

(xix) 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 Shares 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 3% (three per cent) of the net profits of the Company as determined in accordance with the provisions of Section 198 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.

(xx) To provide for the welfare of employees or ex-employees of the Company and the wives, and families or the dependents or connections of such persons, by building or contributing to the building of houses or dwellings, or by grants or money pensions, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident 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 attendance and other assistance as the Company shall think fit.

(xxi) Subject to the provisions of Sections 180 and 181 of the Act, and Article 180, 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.

(xxii) 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 equalising 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 impose 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 any 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 5% (five per cent) per annum.

(xxiii) To appoint and at their discretion remove or suspend such committee or committees of experts, technicians or advisers or such managers, officers, clerks, employees, and agents 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

(xxiv) To comply with the requirements of any local law which, in their opinion, in the interest of the Company, is necessary or expedient to comply with.

(xxv) From time to time and 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 boards and to fix their remuneration. And from time to time and at any time, but subject to provisions of Section 179 and 180 of the Act and Article 173 and 176 to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, and to authorise 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 authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

(xxvi) At any time and from time to time but subject to the provisions of Sections 179 and 180 of the Act by power of attorney to appoint any person or persons to be 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 (if the Directors think fit) 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 contain such powers for the protection or convenience of persons dealing with such attorney as the Directors may think fit.

(xxvii) Subject to the provisions of the Act and these Articles, to delegate the powers, authorities and discretions vested in the Directors to any person, firm, Company or fluctuating body of persons as aforesaid.

(xxviii) Any such delegate or attorney as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him.

(xxix) 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 matter aforesaid or otherwise for the purpose of the Company.

MANAGING DIRECTOR AND WHOLE TIME DIRECTORS

182. The Board may, from time to time, subject to Section 196 of the Act, appoint one or more of their body to the office of the Managing Director, manager or whole time director (by whatever name called) for a term not exceeding five years. Provided that no re-appointment shall be made earlier than one year before the expiry of his term. . His/ their appointment shall be automatically terminated if he/ they cease to be Director/Directors.

183. The Managing Director or manager or whole time director shall, subject to the control and supervision of the Directors undertake the management of the Company and perform all the administrative functions and other duties of the Company necessary for the effective transaction of its business with full powers to do all acts, matters and things deemed necessary, proper and expedient thereof and generally to exercise all the power and authorities of the Company except such of them as by the Act or any statutory modifications thereof for the time being in force or by These presents are or may be expressly directed to be exercised by the Company in a General Meeting or by the Board, provided that on subsequent regulation it shall invalidate any prior act of the Managing Director which would have been valid if such regulation had not been made.

184. Subject to the provisions of the Act, the Directors may from time to time entrust to and confer upon the Managing Director or the manager or the whole time Director, for the time being, such of the powers exercisable under These presents by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such

objects and purposes and upon such terms and conditions, and with such restrictions as think expedient, and they may confer such powers, either collaterally with or to the exclusion of and in substitution for, all or any of the powers of the Directors, in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

185. Subject to the provisions of the Act,—

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

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

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

THE SEAL

187. (i) The Company shall have a Common Seal and the Directors shall provide for the safe custody thereof.

(ii) The Seal of the Company shall not be affixed to any instrument except by the authority of the resolution of the Board or a committee of the Board authorized by it in that behalf and except in the presence of at least two Directors and of the secretary or such other person as may be appointed by the Board, and such Directors/Director and secretary shall sign every instrument to which the Seal of the Company is so affixed in his/their presence. Such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed. This is, however, subject to Companies (Share Capital and Debenture) Rules, 2014.

ACCOUNTS

188. The Directors shall cause true accounts to be kept of (a) all sums of money received 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 of all its commercial, financial and other affairs, transaction and engagement and of all other matters, necessary for 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 in accordance with the provisions of the Act; and the books of accounts shall be kept at the Registered Office or subject to

the provisions of the Act, at such other place or places in India as the Directors think fit and shall be open to inspection by the Directors during business hours.

189. 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 for the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any Account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

AUDIT

190. 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.

191. The Company shall at each Annual General Meeting appoint an individual or a firm as an auditor in the manner as provided under the Act.

192. The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting except that the remuneration of any Auditors appointed to fill any casual vacancy, may be fixed by the Directors.

193. Every Auditor of the Company shall have a right of access at all the 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 report to the shareholders on the accounts examined by them, and on every balance sheet and profit and loss account and 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, and (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 account as required by law have been kept by the Company so far as 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 account 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 Annual General Meeting and shall be open to inspection by any Member of the Company.

194. All notices of, and other communications related 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 Auditors.

195. Every account when audited and approved by an Annual General Meeting shall be conclusive except as regards any error discovered therein within 3 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.

CAPITALISATION OF RESERVES

196. (i) The company in General Meeting may, upon the recommendation of the Board, resolve—

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

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

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

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

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

c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

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

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

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

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

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

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

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

NOTICE

198. (i) A notice (which expression for the purposes of These presents shall be deemed to 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 giving notices to him.

(ii) Where a document (which shall for this purpose be deemed to include any summons, requisition, process, order, judgement or any other documents in relation to the winding up of the Company) or a notice is sent by post, the service of such notice shall be deemed to be effected by properly addressing, pre-paying 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 acknowledgement due, and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the 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.

(iii) Notice should be in writing and must be given at least 21 days before the Meeting. The Directors, if they think fit may convene General Meeting including the Annual General Meeting by giving a shorter notice thereof as per Section 101 of the Act.

199. If a Member has no registered address in India and has not supplied to the Company an address within India for giving of notices to him, a notice advertised in a newspaper circulating in the neighbourhood of the Office shall be deemed to be fully given to him on the day on which the advertisement appears.

200. 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 through the post in a 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.

201. Notice of every General Meeting shall be given in same manner hereinbefore authorised to (a) every Member of the Company (including bearers of Share warrants), (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 to (c) the Auditor or Auditors of the Company.

202. Any notice to be given by the Company shall be signed by the secretary (if any) or by such officer as the Directors may appoint. Such signature may be written, printed or lithographed.

203. 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 to such Share.

204. 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 in pursuance of These presents, shall notwithstanding such Member be then deceased and whether or not the Company have notice of his deceased be deemed to have been duly served in respect of any registered Share, whether held solely or jointly with 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.

SECRECY CLAUSE

205. Every Director, manager, Auditor, Member of a committee, officer, servant, agents, accountants or other person employed in the business of the Company should observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall not reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Directors or by any meeting or by a court of law, or by person to

whom such matter relates and except so far as may be necessary in order to comply with any of the provisions in These presents contained.

WINDING UP

206. If the Company shall be 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 a 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 rights of the holders of Shares issued upon special terms and conditions.

207. (i) 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 whether they shall consist of property of the same kind or not and may, with the like sanction, vest the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator with the like sanction, shall think fit, but so that no Member shall be compelled to accept any Shares or other Securities where on there is any liability.

(ii) the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unaltered) 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 Companies Act, 1956.

(iv) In case any Shares to be divided as aforesaid involve a liability on 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.

208. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Companies Act 1956 may in like manner as aforesaid determine that

any Shares or other consideration receivable by the liquidators shall be distributed amongst existing Members otherwise than in accordance with their 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.

INDEMNITY AND RESPONSIBILITY

209. (i) Subject to the provisions of the Act, the Board of Directors, Managing Director, managers, secretary, and other officers or other employees for the time being of the Company, Auditor and the trustees, if any, for the time being acting in relation to any of the affairs of the Company and every one of them and every one of their heirs, executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

(ii) Save and except so far as the provisions of this Article shall be avoided by the Act, none of them shall be answerable for the acts, receipts, neglects or defaults of the other or other of them, or for joining in any receipt for the sake of conformity, or for insolvency of any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody or for the insufficiency or deficiency of any security upon which any moneys belonging to the Company shall be placed out or invested or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto, except when the same shall happen by or through their own willful neglect or default respectively.

(iii) Subject to the provisions of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglect or default of any other Director or officer of the Company or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through the insufficiency or deficiency to title to any property acquired by the order of the Director for or on behalf of 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 or any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss, or damage whatsoever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own negligence or dishonesty.

Sl.No.	Names, Addresses and Description of the Subscribers	Number of Shares taken by each Subscriber	Signature (s) of the subscriber (s)	Witness
1.	DHARMENDER NATH DAVAR S/o Late Shri Daryai Lal Davar Chairman, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1 (One)	Sd/- D. N. Davar	Sd/- VIPIN AGGARWAL, FCA Son of Late Shri P.L. Aggarwal C/o Vipin Rajnish & Associates 92, Defence Colony Flyover Market, New Delhi - 110024
2.	FAKIR MOHAN PATNAIK S/o Late Shri Digambar Patnaik Executive Director, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1 (One)	Sd/- F. M. Patnaik	
3.	HARISH CHANDRA SHARMA S/o Late Shri Ram Narain Sharma General Manager, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1 (One)	Sd/- H.C. Sharma	
4.	KAMLESH KUMAR VARSHNEY S/o Late Shri Dori Lal General Manager, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1 (One)	Sd/- K. K. Varshney	

Sl.No.	Names, Addresses and Description of the Subscribers	Number of Shares taken by each Subscriber	Signature (s) of the subscriber (s)	Witness
5.	SATYA PRAKASH GUPTA S/o Late Shri Ram Rakhamal General Manager, Industrial Finance Corporation of India, Scope Complex, 7, Lodhi Road, New Delhi-110001	1 (One)	Sd/- S. P. Gupta	Sd/- VIPIN AGGARWAL, FCA Son of Late Shri P.L. Aggarwal C/o Vipin Rajnish and Associates 92, Defence Colony Flyover Market, New Delhi - 110024
6.	GOPAL SARAN SAXENA S/o Late Shri Keshav Ram General Manager, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1 (One)	Sd/- G. S. Saxena	
7.	DIN DAYAL S/o Late Shri Hari Chand Deputy General Manager, Industrial Finance Corporation of India, 16, Sansad Marg, New Delhi-110001	1 (One)	Sd/- Din Dayal	

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF DEMERGER
OF
COMPANY PETITION NO. 316/2005
CONNECTED WITH
COMPANY APPLICATION (M) NO. 117/2005
IN THE MATTER OF M/s. ICRA Ltd.,
having its Regd. Office at
Kailash Building, 4^{th} Floor,
26, Kasturba Gandhi Marg, New Delhi-110001
Petitioner/Transferor Company
WITH
IN THE MATTER OF M/s. ICRA Management Consulting Service Ltd. (IMaCS),
having its Regd. Office at
Kailash Building, 4^{th} Floor,
26, Kasturba Gandhi Marg, New Delhi-110001
Petitioner/Transferee Company

BEFORE HON'BLE MR. JUSTICE SANJIV KHANNA
DATED THIS 29TH DAY OF MARCH, 2006

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petition coming up for hearing on 29/3/06 and said order was modified on 3/7/06 for sanction of scheme of demerger proposed to be made of M/s. ICRA Ltd. (hereinafter referred to as the Transferor Company) with M/s. ICRA Management Consulting Service Ltd. (IMaCS) (hereinafter referred to as the Transferee Company), upon reading the said petition, the order dt.20/7/05 and modified order dt. 16/8/05 whereby the requirement of convening and holding the meetings of the shareholders and creditors of the Transferee Company was dispensed with and the meetings of equity shareholders and unsecured creditors of the Transferor Company were ordered to be convened for the purpose of considering, and if thought fit, approving, with or without modification, the Scheme of demerger; annexed to the affidavit of Sh. Pranab Kumar Chaudhary, Managing Director of the Transferor Company and Director of Transferee Company filed on 28^{th} day of May, 2005 and the publication in the newspapers namely (1) Statesman (English) (2) Jansatta (Hindi) both dt. 25/8/05 each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dt. 20/7/05, the affidavits of Ms. Amita V. Duggal and Sh. K. Anand Singh, Chairpersons filed on 1/9/05 and 22/9/05 respectively showing the publication and despatch of the notices convening the said meetings, the reports of the Chairpersons of the said meetings as to the result of the said meetings and upon hearing Mr. Sandeep Sethi, Sr. Advocate with Mr. Indranil Ghosh and Mr. Ugen Tashi Bhutia, Advocates for the petitioner and Mr. R.D. Kashyap, Dy. Registrar of Companies in person and it appearing from the reports that the proposed scheme of arrangement has been approved unanimously without any modification by the said equity shareholders and unsecured creditors of the Transferor Company present and voting either in person or by proxy and upon reading the affidavit dated 27/2/06 of Sh. Rakesh Chandra, Regional Director, Northern Region, Department of Company Affairs, Noida on behalf of Central Government whereby he raised three objections: The first objection is that the authorised share capital of the Transferee Company is not sufficient to allot new shares to the Transferor Company under the scheme. The Court did not find any merit in the objection and rejected the same. Second objection is that the value of the individual assets and liabilities of the "Advisory Services Division" of the Transferor Company have not been mentioned. However, the Regional Director in view of the letter dt. 12th January, 2006 of the Transferor Company admits and acknowledges that the individual assets and liabilities of "Advisory Services Division" and value thereof are part of the scheme of demerger. In view of this statement of the Regional Director the Court did not find any merit in this objection and rejected the same. Third objection is that the scheme does not provide for allotment of shares to the shareholders of the Transferor Company on transfer of the "Advisory Services Division". The Court observed that under the scheme, the Transferor Company is not being dissolved and only its "Advisory Services Division" is being demerged and is being transferred to the Transferee Company. In lieu thereof the shares are being issued to the Transferor Company by the Transferee Company. The shareholders of the Transferor Company have approved the scheme including the clause under which shares in the Transferee Company are to be allotted to the Transferor Company. Therefore, the Court did not find any merit in this objection and rejected the same; and the report of Sh. Alok Samantarai, Official Liquidator dt. 19/1/06 stating therein that the affairs of the Transferor Company have not been conducted in the manner prejudicial to the interest of its members, creditors or to public interest, and there being no investigation proceedings pending in relation to the petitioner companies under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF DEMERGER setforth in Schedule-I annexed hereto and DOTH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor and Transferee Companies and all concerned and doth approve the said scheme of demerger with effect from the appointed date i.e. 1.4.2005.

AND THIS COURT DOTH FURTHER ORDER:

1. That all the property except immovable property, rights and powers of the Advisory service devision i.e Demerged Undertaking of Transferor Company specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the Advisory service devision i.e Demerged Undertaking of 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 the estate and interest of the Advisory service devision i.e Demerged Undertaking of Transferor Company therein but subject nevertheless to all charges now affecting the same; and

2. That all the liabilities and duties of the Advisory service devision i.e Demerged Undertaking of 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; and

3. That all the proceedings now pending by or against the Advisory service devision i.e Demerged Undertaking of Transferor Company be continued by or against the Transferee Company; and

4. 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 Clause 10 Part-III given in the scheme of demerger herein the shares in the

Transferee Company to which they are entitled under the said demerger; and

5. 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

6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

DRAFT SCHEME OF ARRANGEMENT
UNDER SECTION 391 READ WITH SECTION 394
OF THE COMPANIES ACT, 1956

BETWEEN

ICRA LIMITED - **TRANSFEROR COMPANY**

AND

ICRA MANAGEMENT CONSULTING SERVICE LIMITED (IMaCS)- **TRANSFEREE COMPANY**

AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
IN RESPECT OF ADVISORY SERVICES DIVISION- **DEMERGED UNDERTAKING**
OF ICRA LIMITED

PART I – GENERAL

A. ICRA Limited (**"ICRA"**) is a Company presently engaged in the businesses of Credit Rating including analysis, evaluation and appraisal of obligations, dues, debts, commitments, debentures, bonds, shares and other securities of all bodies including the Government, statutory corporations, banking and financial institutions and other bodies or association of persons whether incorporated or not and whether in India or abroad (**"Rating Services Division"**); and other range of services including Information Services involving the provision of up to date, authentic and value added information addressing the needs of the investors and capital markets communities (**"Information Services Division"**); and Advisory Services covering areas of risk management practice, regulatory practice, transaction practice, strategy practice and content to governments, banks and lenders, investors and project developers (**"Advisory Services Division"**).

B. The present Scheme of Arrangement (hereinafter referred to as "Scheme") would involve transfer on a going concern basis of the Advisory Services Division (**"Demerged Undertaking"** as defined later in this Scheme) to ICRA Management Consulting Service Limited, (IMaCS, as defined later in the Scheme) with ICRA focusing on the Remaining Business (as defined later in this Scheme) and in consideration thereof, issue of 5,164,786 equity shares of Rupees 10/- each by IMaCS to the Transferor Company, pursuant to Section 391-394 and other relevant provisions of the Companies Act, 1956.

C. RATIONALE FOR THE SCHEME:

This restructuring is intended for the following reasons:

i) ICRA is a company of substantial repute carrying on the business of credit rating and market research providing guidance and information to institutional and individual investors/Creditors; enhancing the ability of borrowers/issuers to access the money market and the capital market for tapping a larger volume of resources from a wider range of the investing public; assisting the regulators in promoting transparency in financial markets; providing intermediaries with a tool to improve efficiency in the fund raising process. IMaCS, a wholly owned subsidiary of ICRA, incorporated by ICRA to carry on the business of consultants, advisors and counselors providing advisory and consulting services in all sectors of industry, trade, business and commerce including but not limited to information technology, market assessment, risk management and corporate planning.

In view of their respective objectives, ICRA is endeavoring the transfer of its Advisory Services Division to IMaCS for attaining greater business focus both in ICRA and IMaCS. .

ii) To comply with the Code of Conduct as envisaged under Clause 16 (b) of the Securities and Exchange Board of India ("SEBI") (Credit Rating Agencies) Second Amendment Regulations, 2003 (**"Regulations"**) which provides inter alia that **'a Credit Rating Agency shall not offer fee based services to the rated entities beyond credit rating and research'**; and also Clause 18 of the same which provides that **' a Credit Rating Agency shall maintain an arms' length relationship between credit rating activity and any other activity'**, ICRA intends to transfer its Advisory Services Division to IMaCS and thus further maintain arms' length relationship alongwith systemic safeguards.

D. This Scheme of arrangement is based on a commercially sound decision made in the interest of ICRA and its members and is in compliance with the Regulations. The Board of Directors of both the Transferor Company and the Transferee Company are of the opinion that the demerger would result in benefit to the shareholders (as mentioned in Schedule D), Creditors (as defined later in the scheme) and employees of both the companies.

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

(a) **"Act"** means the Companies Act, 1956 or any statutory modification, amendment or re-enactment thereof for the time being in force.

(b) **"Appointed Date"** means the First day of April, 2005 or such other date as may be fixed by the High Court of Judicature at Delhi having jurisdiction under law.

(c) **"Creditors"**, means Creditors of ICRA pertaining to its Advisory Services Division which are only unsecured creditors and not the secured creditors.

(d) **"Demerged Undertaking"** means Advisory Services Division of ICRA largely comprising, inter alia, of the business of providing management advisory services to governments, banks, lenders, investors and project developers, being carried on by ICRA on a going concern basis, at the following offices of ICRA-as on the Appointed Date:

- Kailash Building, 4th Floor, 26 Kasturba Gandhi Marg, New Delhi-110001;
- Electric Mansion, 3rd Floor. Appasaheb Marathe Marg, Prabhadevi. Mumbai 400 025;
- FMC Fortuna, A-10, 11 & 12, 3rd floor, 234/34A, A.J.C. Bose Road. Kolkata 700 020;

- Karumuttu Centre, 5th Floor, 634, Anna Salai, Nandanam, Chennai 600 035; and

- Ahmedabad Office at 907-908, Sakar II, Ellisbridge, Opp. Town Hall, Ahmedabad 380006;

- Vayudooth Chambers, 2nd Floor, Trinity Circle, 15-16, MG Road, Bangalore, 560 001;

- Hyderabad Office at 301, Concourse, 3rd Floor, No. 7-1-58, Ameerpet, Hyderabad 500016;

- Pune Office at 5A, 5th Floor, Symphony, S. No. 210, CTS 3202, Range Hills Road, Shivajinagar, Pune 411007.

and shall include (without limitation) :

(i) all assets which are movable in nature ("Assets"), wherever situated including all , computer installations, , appliances, accessories, vehicles, Loans and Advances to the Staff, earnest money deposits, receivables and security deposit as specified in Schedule A;

(ii) all liabilities and provisions present and future (including the liabilities allocable as per Clause 4.7 of this Scheme) and the specific contingent liabilities pertaining to or relatable to the Advisory Services Division as specified in Schedule B;

(iii) all rights and licences, all assignments and grants thereof, all permits, registrations (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits, incentives or schemes of Central/State Governments, quality certifications and approvals, approvals (both Indian and foreign), regulatory approvals, entitlements, municipal permissions, goodwill, approvals, consents, and/or interest (whether vested, contingent or otherwise) in projects undertaken by the Advisory Services Division, either solely or jointly with other parties, deposits, advances, recoverables, easements, advantages, financial assets, lease arrangements, the benefits of bank guarantees issued by the Transferor Company in relation to the Advisory Services Division, privileges, all other claims, rights and benefits (including under any powers of attorney issued by the Transferor Company in relation to the Advisory Services Division or any powers of attorney issued in favour of the Transferor Company or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory authority to which the Transferor Company was a party), powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Advisory Services Division;

(iv) all permanent employees of Transferor Company substantially engaged in the Advisory Services Division and those permanent employees that are determined by the Board of Directors of the Transferor Company, to be substantially engaged in or in relation to the Advisory Services Division;

(v) all deposits, advances, and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earnest moneys and/or security deposits paid or received by the Transferor Company, directly or indirectly in connection with or in relation to the Advisory Services Division;

(vi) all books, records, files, papers and process information, records of standard operating procedures, computer programmes along with their licences, manuals and back up copies, drawings, other manuals, data catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form, directly or indirectly in connection with or relating to the Advisory Services Division;

(vii) all trademarks, tradenames irrespective of the services in respect of which it is used or is proposed to be used in the immediate or distant future; domain names; copyrights; secrets; product registrations and other intellectual property; and all other interests exclusively relating to the goods or services being dealt with by the Advisory Services Division.; but shall not include any assets or liabilities relating to the Remaining Business of the Transferor Company. The Trademarks of the Demerged Undertaking have been listed out in Schedule C.

It is intended that the definition of Demerged Undertaking under this clause would enable the transfer of all the Assets and liabilities including all the rights and licences, employees, deposits and advances, books and records, trademarks and tradenames etc, as have been enumerated above in this clause, of the Demerged Undertaking to the Transferee Company pursuant to this Scheme and this Scheme shall not involve the transfer of any immovable property from the Transferor Company to Transferee Company.

(e) **"Effective Date"** means the date on which the certified copies of the orders of the Hon'ble High Court of Delhi at New Delhi sanctioning the Scheme, are duly filed with the Registrars of Companies, NCT of Delhi and Haryana. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of the Scheme" shall mean the Effective Date.

(f) **"Employee Benefit Obligations"** shall mean the benefits extended to the permanent employees of Demerged Undertaking, individually, as under applicable Law and respective company policies, including inter alia, bonus, provident fund, gratuity, superannuation, retirement benefits. employee state insurance etc.

(g) **"Governmental Entity"** shall mean any governmental, statutory, departmental or public body or authority, including courts of competent jurisdiction. whether in or outside of India.

(h) **"Law"** shall mean any statute, notification, bye laws, rules and regulations, directive, ordinance, order or instruction having the force of law enacted or issued by any Governmental Entity.

(i) **"Remaining Business"** means all other businesses, divisions, assets and liabilities of the Transferor Company other than the Demerged Undertaking.

(j) **"Transferee Company"** or **"IMaCS"** means ICRA Management Consulting Service Limited, a company incorporated under the Act and having its registered office at Kailash Building, 4th Floor, 26, Kasturba Gandhi Marg, New Delhi-110001.

(k) **"Scheme of Demerger"** or **"this Scheme"** or **"the Scheme"** means this Scheme of Arrangement in its present form or with any modifications made under Clause 13 of the Scheme.

(l) **"Transferor Company"** or **"ICRA"** means ICRA Limited, a Company incorporated under the Act and having its Registered Office at Kailash Building, 4th Floor, 26 Kasturba Gandhi Marg, New Delhi-110001

1.2 Words and expressions elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto. Words not defined in the Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, and other applicable Laws.

2. DATE OF COMING INTO EFFECT

The Scheme shall come into legal operation from the Appointed Date, though it shall be effective from the Effective Date.

3. SHARE CAPITAL

(a) The authorised, issued, subscribed and paid-up capital of the Transferor Company as on 31st March 2005 was as follows

Particulars	Amount (Rs.)
Authorised Capital: 15,000,000 Equity Shares of Rs. 10/- each	150,000,000/-
Issued, Subscribed and Paid-up Capital: 8,805,100 Equity Shares of Rs. 10/- each	88,051,000/-

(b) The authorised, issued, subscribed and paid up capital of Transferee Company as on 31st March, 2005 was as follows

Particulars	Amount (Rs.)
Authorised Capital 1,000,000 Equity Shares of Rs.10/- each	10,000,000/-
Issued, Subscribed and Paid-up Capital 50,000 Equity Shares of Rs. 10/- each	500,000/-

PART II - DEMERGED UNDERTAKING

4. TRANSFER OF UNDERTAKING

4.1 With effect from the Appointed Date, the Demerged Undertaking shall, pursuant to the provisions contained in Section 394(2) of the Act and other provisions of law for the time being in force and without any further act or deed, be demerged from the Transferor Company and be transferred to and vested in or be deemed to have been transferred to and vested in Transferee Company on the Appointed Date, on a going concern basis, so as to become as and from the Appointed Date, the undertaking of the Transferee Company.

4.2 All Assets acquired by the Transferor Company after the Appointed Date and prior to the Effective Date for operation of the Demerged Undertaking or pertaining to the Demerged Undertaking, shall also stand transferred to and vested in the Transferee Company upon the coming into effect of the Scheme, at their book values.

4.3 The Assets of the Demerged Undertaking (mentioned in Schedule A and Clauses 4.1 & 4.2 above) which are capable of transfer and vesting by physical delivery and possession or by endorsement and/or delivery, the same may be so vested by the Transferor Company and shall, upon such vesting, be succeeded to by the Transferee Company and the rights, title and interests therein shall become vested in the Transferee Company. Such delivery shall be made on a date mutually agreed between the Board of Directors of the Transferor Company and Board of Directors of the Transferee Company.

4.4 It is hereby clarified that the rest of the assets and liabilities (other than those forming part of the Demerged Undertaking or otherwise specified in this Scheme), if any, of the Transferor Company shall continue to vest in the Transferor Company.

4.5 i. All intellectual property rights identified in Clause 1 (d)(vii) shall be vested in the Demerged Undertaking upon coming into effect of the Scheme.

ii. Upon the coming into effect of the Scheme, as regards the future usage of the Transferor Company's trademark, namely- ICRA by the Transferee Company, it is clarified that the Transferor Company and the Transferee Company shall enter into a licensing arrangement on the basis of such terms and conditions as are mutually agreed.

4.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, in accordance with the provisions of relevant laws, consents, permissions, licences, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company, and the rights and benefits under the same shall, insofar as they relate to the Demerged Undertaking and all quality certifications and approvals, goodwill, trademarks, and domain names, copyrights. , trade secrets, product registrations and other intellectual property and all other interests relating to services being dealt with by the Demerged Undertaking, be transferred to and vested in the Transferee Company. Insofar as the various incentives, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Demerged Undertaking, vest with and be available to the Transferee Company on the same terms and conditions.

4.7 It is clarified that, upon the coming into effect of the Scheme, the following liabilities and obligations of the Transferor Company as on the Appointed Date and being a part of the Demerged Undertaking shall, without any further act or deed be and shall stand transferred to the Transferee Company, and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to, vested in and shall be exercised by or against the Transferee Company, and the Transferee Company undertakes to meet, discharge and satisfy:

(a) all the liabilities and provisions, including outstandings and payables, which directly and specifically arose out of the activities or operations of the Demerged Undertaking;

(b) in cases other than those referred to in sub-clause (a) above, proportionate part of the liabilities of the Transferor Company allocable to the Demerged Undertaking in the same proportion in which the value of the assets transferred under this Scheme bears to the total value of the assets of the Transferor Company immediately before the Demerger.

4.8 Where any of the liabilities and obligations, including any outstandings and payables of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company, and all liabilities and obligations incurred by the Transferor Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company and shall become its liabilities and obligations.

4.9 Upon the coming into effect of this Scheme, the balances as on the Appointed Date of the liabilities and provisions, outstandings and payables shall be transferred to and assumed by Transferee Company in the proportion provided in Clause 4.7 (b) above. Thus, the primary obligation to redeem or repay such transferred liabilities shall be that of the Transferee Company. However, without prejudice to such transfer of proportionate liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Transferee Company may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Transferor Company which in turn shall make payments to the respective Creditors.

4.10 The provisions of this Clause insofar as they relate to the transfer of liabilities to the Transferee Company shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue all of which instruments shall stand modified and/or superseded by the foregoing provisions.

4.11 It is hereby clarified that all assets and liabilities of the Demerged Undertaking shall be transferred at values appearing in the books of account of the Transferor Company as on the Appointed Date which are set forth in the closing balance sheet, of the Transferor Company as of the close of business hours on the date immediately preceding the Appointed Date.

4.12 It is clarified that since the Transferor Company beneficially owns over 90% of the issued share capital of the Transferee Company as on the Appointed Date, the transfer of the Demerged Undertaking in pursuance of this Scheme shall be eligible to the benefit under Notification No. 1, dated January 16, 1937 issued under Section 9(a) of the Indian Stamp Act, 1899.

5. CONTRACTS AND DEEDS

5.1 Upon the coming into effect of this Scheme and subject to other provisions of this Scheme, all contracts, deeds, bonds. agreements, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date; shall be in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

5.2 Without prejudice to other provisions of the Scheme and notwithstanding that vesting of the Demerged Undertaking with the Transferee Company occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or if it is otherwise considered necessary or expedient, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Transferor Company will, if necessary, also be a party to the above.

6. EMPLOYEES

6.1 All the employees of the Demerged Undertaking in service on the Effective Date shall, on and from the Effective Date, be transferred to and become the employees of the Transferee Company on the same conditions and on the same remuneration on which they are engaged by the Transferor Company with respect to the Demerged Undertaking on the basis of continuity of service, without treating it as a break, discontinuance or interruption in service.

6.2 On and from the Effective Date, all Employee Benefit Obligations existing for the benefit of the employees, as applicable, of the Transferor Company with respect to the Demerged Undertaking, as the case may be. if any, shall be continued by the Transferee Company.

6.3 It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company with respect to the employees of the Demerged Undertaking in relation to the schemes or funds related to the Employee Benefit Obligations shall become those of the Transferee Company.

All the Provident Fund accumulations in the Provident fund accounts of the employees of the Demerged Undertaking upto the Effective Date maintained with Provident Fund Department of the Transferor Company, shall be transferred to new Provident fund accounts of the employees of the Transferee Company maintained with the Provident Fund Department of the Transferee Company. All the amounts owed by the Transferor Company to the employees of the Demerged Undertaking up to the Effective Date, towards Provident Fund, shall be transferred to the employees account with the Transferee Company. Also, Gratuity or leave encashment done on actuarial evaluation basis by the Transferor Company in respect of the employees of the Demerged Undertaking shall be transferred to the Transferee Company.

7. LEGAL PROCEEDINGS

7.1 Upon the coming into effect of the Scheme, all legal or other proceedings (including before any statutory or quasi judicial authority or tribunal) by or against the Transferor Company under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the Demerged Undertakings shall be continued and enforced by or against the Transferee Company after the Effective Date.

In the event that the legal proceedings referred to herein require the Transferor Company and the Transferee Company to be jointly treated as parties thereto, the Transferee Company shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Transferor Company. In the event of any difference or difficulty in determining whether any specific legal or other proceeding relates to the Demerged Undertaking or not, the decision of the Board of Directors of the Transferor Company as to whether such proceeding relates to the Demerged Undertaking or not, shall be conclusive evidence of the relationship with Demerged Undertaking.

7.2 The Transferee Company undertakes to have all legal proceedings initiated by or against the Transferor Company referred to in Clause 7.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company. Both companies shall make relevant applications in that behalf.

7.3 Notwithstanding the above, in case the proceedings referred to in Clause 7.1 above cannot be transferred for any reason, the Transferor Company shall defend the same in accordance with the advice of the Transferee Company and at the cost of the Transferee Company, and the Transferee Company shall reimburse, indemnify and hold harmless the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.

8. BUSINESS AND PROPERTY IN TRUST FOR TRANSFEREE COMPANY/CONDUCT OF BUSINESS

8.1 **With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company:**

(a) shall be deemed to have been carrying on all business and activities relating to the Demerged Undertaking and stand possessed of all assets, rights, title, interest and authorities of the Demerged Undertaking for and on account of, and in trust for, the Transferee Company; and

(b) all profits accruing to the Transferor Company, or losses arising or incurred by it (including the effect of taxes, if any, thereon), relating to the Demerged Undertaking shall for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Transferee Company.

8.2 The Transferor Company undertakes that it will from the date of approval of the Scheme by the Board of Directors of the Transferor Company and the Transferee Company, or the Appointed Date, whichever is earlier, and up to and including the Effective Date preserve and carry on the Demerged Undertaking with diligence and prudence and agrees that it will not, in any material respect, without the prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof except in the ordinary course of business or undertake substantial expansion of the Demerged Undertaking, other than expansions which have already been commenced.

8.3 The Transferee Company undertakes to engage such of the employees of the Transferor Company as are determined under Clause 1(d)(iv) of this Scheme of Arrangement, as being substantially engaged in the Demerged Undertaking and who are in the employment of the Transferor Company as on the Effective Date, on terms and conditions not less favourable than those on which they are engaged by the Transferor Company, without any interruption of service as a result of the transfer of Demerged Undertaking to the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement entered into by the Transferor Company in respect of the Demerged Undertaking. The Transferee Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

8.4 Upon the Scheme coming into effect, the accounts of the employees, who are employed by the Transferor Company and who fall under Clause 8.3 above, relating to the Provident Fund, Gratuity Fund and Leave Encashment, shall be identified, determined and transferred to the respective funds of the Transferee Company and the employees shall be deemed to have become members of such trusts/funds of the Transferee Company. Upon the Scheme coming into effect, until such time that the Transferee Company creates its own funds, the Transferee Company may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Demerged Undertaking to the relevant funds of the Transferor Company and such contributions pertaining to the employees of the Demerged Undertaking shall be transferred by the Transferor Company to the funds of the Transferee Company as and when created. The Transferor Company shall take all steps necessary for the transfer of the Provident Fund, Gratuity Fund and Pension and/or Superannuation Fund and any other fund of employees, pursuant to the Scheme, to the Transferee Company.

9. **SAVING OF CONCLUDED TRANSACTIONS**

Transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking and continuance of the proceedings by or against the Transferee Company shall not in any manner affect any transaction or proceedings already completed by the Transferor Company (in respect of the Demerged Undertaking) on or before the Appointed Date to the end and intent that the Transferee Company accepts all such acts, deeds and things done and executed by and/or on behalf of the Transferor Company (in respect of the Demerged Undertaking) as acts, deeds and things done and executed by and on behalf of the Transferee Company.

PART III - ISSUE OF SHARES

10. **ISSUE OF SHARES**

10.1 Upon the coming into effect of the Scheme and in consideration of the demerger of the Demerged Undertaking in the Transferee Company pursuant to Part II of the Scheme, the Transferee Company shall, without any further act or deed and without any further payment, issue and allot 5,164,786 equity shares of Rs 10/- each, (hereinafter also referred to as the "New Equity Shares") at par to the Transferor Company. The number of New Equity Shares to be allotted as consideration by the Transferee Company to the Transferor Company, has been ascertained by the net assets value method as given in Schedule E.

10.2 The Transferee Company shall issue the share certificate rounded off to the nearest whole number of shares, and shall not issue fractional share certificate to the Transferor Company.

10.3 The New Equity Shares to be issued and allotted pursuant to Clause 10.1 shall in all respects, rank *pari passu* with the existing equity shares of the Transferee Company as and from the Appointed Date.

10.4 The New Equity Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Transferee Company.

10.5 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities for the issue and allotment by the Transferee Company of New Equity Shares to the Transferor Company.

10.6 Insofar as the issue of shares pursuant to Clause 10.1 is concerned, the Transferor Company shall have the option to be exercised, by way of giving a notice (with prescribed details) to Transferee Company, on or before such date as may be determined by the Board of Directors of the Transferee Company, to receive the shares either in certificate form or in dematerialised form. In the event that such notice or requisite details have not been received by the Transferee Company , the shares shall be issued by the Transferee Company to the Transferor Company in certificate form. In case the Transferor Company exercises the option to receive the shares in dematerialised form, the Transferor Company shall have opened and maintained an account with a depository participant, and shall provide such other confirmation, information and details as may be required.

PART 1V - GENERAL TERMS AND CONDITIONS

11. ACCOUNTING TREATMENT

11.1 Treatment in the books of the Transferor Company:

Upon the coming into effect of this Scheme, with effect from the Appointed Date, the accounts representing the assets and liabilities of the Demerged Undertaking shall stand closed on transfer to the Transferee Company. Insofar as the accounts relating to liabilities, obligations, payables and any outstandings referred to in Clause 4.7 are concerned, they shall stand reduced by the amounts transferred to the Transferee Company in accordance with the provisions of this Scheme.

11.2 Treatment in the books of the Transferee Company:

Upon the coming into effect of this Scheme, the Transferee Company shall record all the assets and liabilities of the Demerged Undertaking transferred to it in pursuance of this Scheme at their respective book values thereof appearing in the books of account of the Transferor Company immediately before the Appointed Date. It is clarified that insofar as the amounts referred to in Clause 4.7 and Sub-Clause 11.1(a) are concerned, the Transferee Company shall record the same under the same account caption as that used by the Transferor Company.

11.3 It is hereby clarified that pursuant to the provisions of Clause 4, all transactions during the period between the Appointed Date and Effective Date relating to the Demerged Undertaking would be duly reflected in the financial statements of the Transferee Company, upon the Scheme coming into effect.

12. APPLICATIONS TO HIGH COURT/OTHER AUTHORITY

12.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications to the High Court of Judicature at New Delhi where the registered offices of the Transferor Company and the Transferee Company are situated or such other authority having jurisdiction under law, under Section 391 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective members and/or Creditors of the Transferor Company and the Transferee Company as may be directed by the High Court or such other authority having jurisdiction under law.

12.2 On the Scheme being agreed to by the requisite majorities of the members and/or Creditors of the Transferor Company and the Transferee Company as directed by the High Court of Judicature at New Delhi or such other authority having jurisdiction under law, the Transferor Company and the Transferee Company shall, with all reasonable dispatch, apply to the High Court of Judicature at New Delhi or such other authority having jurisdiction under law, for sanctioning the Scheme under Sections 391 to 394 of the Act, and for such other order or orders, as the said High Court or such other authority having jurisdiction under law may deem fit for carrying this Scheme into effect.

13. **MODIFICATION OR CLARIFICATION**

13.1 The Transferor Company (by its Directors or their committee thereof) and the Transferee Company (by their Directors or their committee thereof) or such other person or persons, as the respective Boards of Directors may authorize, are empowered and authorized :

13.1.1 To assent from time to time to any modification(s) or amendment(s) or substitutions in/of this Scheme or of any conditions or limitations which the Hon'ble High Court of judicature of New Delhi and/or any other authorities may deem fit to direct or impose or approve or which may otherwise be deemed necessary or expedient or considered necessary or desirable for implementing and/or carrying out the Scheme or which may be considered necessary due to any change in law and the Transferor Company (by its Directors or their committee thereof or by any person authorized by its Board of Directors) and the Transferee Company (by their Directors or their committee thereof or by any person authorized by its Board of Directors) be and is hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme.

13.1.2 To settle all doubts or difficulties that may arise in carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.

13.2 The Transferor Company and the Transferee Company may revise their Income Tax returns and related Tax Deducted at Source (TDS) Certificates and the right to claim refund, advance tax credits etc, as under applicable Law, upon this Scheme becoming effective and have reserved the right to make revisions in the Income Tax returns and related TDS certificates and the right to claim refund, advance tax credits etc pursuant to the sanction of the Scheme by the Hon'ble High Court of Delhi at New Delhi and the Scheme becoming effective.

14. **GENERAL TERMS**

It is clarified that all taxes payable by the Transferor Company, relating to the Demerged Undertaking, from the Appointed Date onwards including all or any refunds and claims shall, for all purposes, be treated as the tax liabilities or refunds and claims of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its tax returns, and to claim refunds/credits, pursuant to the provisions of this Scheme. Upon the Scheme becoming effective, the Transferee Company is also expressly permitted to revise its income tax returns and to claim refunds, advance tax and withholding tax credits, etc., pursuant to the provisions of this Scheme.

15. **CONDITIONALITY OF SCHEME**

The Scheme is conditional upon and subject to:

(a) the Scheme being agreed to by the respective requisite majorities of the various members and Creditors (where applicable) of the Transferor Company and the Transferee Company as required under Section 391 of the Act;

(b) Such other sanctions and approvals including sanctions of any Governmental Entity in respect of the Scheme, if required, being obtained.

(c) the requisite sanction and orders of the High Court of Judicature at New Delhi or of such other authority having jurisdiction under law, being obtained; and

(d) the certified copies of the above orders of the High Court or of such other authority having jurisdiction under law being filed with the Registrar of Companies.

16. **COSTS, CHARGES AND EXPENSES**

All past, present and future costs, charges, levies, duties, and expenses in relation to or in connection with or incidental to the Scheme or the implementation thereof shall be borne by the Transferor Company and all of the above costs shall be treated as costs relating to the Demerger.

17. **EFFECT OF NON-APPROVALS**

In the event of any of the approvals referred to in Clause 15 of this Scheme not being obtained and/or the Scheme not being sanctioned by the High Court of New Delhi on or before such period or periods as may be agreed upon by Transferor and Transferee Company and through their respective Boards of Directors or the Scheme becoming otherwise not viable in the opinion of the Board of Directors of the Transferor Company, this Scheme shall become null and void having no legal effect and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or Creditors or employees or any other person. In such case the Transferor Company and the Transferee Company shall bear its own cost or as may be mutually agreed.

SCHEDULE - A

(Amount in Rs.)

LIST OF ASSETS

1	Data Processing Equipments (W.D.V.)		2,501,250.08
2	Vehicles (W.D.V.)		770,503.91
3	Sundry Debtors		52,207,066.00
4	Loans & Advances		
	A Loans to Staff	155,301.00	
	B Advances - Others		
	Advances to Staff	427,861.00	
	Advances for Tickets (Kamadhenu Travels Pvt. Ltd.)	42,542.00	
	Prepaid Expenses	610,518.62	
	Sub Total (B)	1,080,921.62	
	C Advances Recoverable from Clients for Out of Pocket Expenses	2,964,985.93	
	D Sundry Deposits		
	Car Parking Security	2,000.00	
	Cellphone Security	14,500.00	
	Earnest Money Deposit	594,950.00	
	Rent Security (Flats)	124,000.00	
	Rent Security (Premises)	75,600.00	
	Sub Total (D)	811,050.00	
	Total Loans & Advances (A to D)		5,012,258.55
	TOTAL ASSETS (1 to 4)		60,491,078.54

SCHEDULE - B

(Amount in Rs.)

LIST OF LIABILITIES

1	Liabilities		
	A Sundry Creditors for Expenses Payable	1,080,724.38	
	B Advances Received from three Clients	360,600.00	
	C Other Liabilities		
	Deposits from employees for Vehicles provided	223,941.60	
	Professional Tax Payable	2,600.00	
	Provision for Expenses	540,050.50	
	Service Tax Payable	857.00	
	Service Tax Realisable	3,666,551.00	
	Sub Total (C)	4,434,000.10	
	Total Liabilities (A to C)		5,875,324.48
2	Provisions		
	A Provision for Gratuity	2,477,703.00	
	B Provision for Leave Encashment	490,196.00	
	Total Provisions (A to B)		2,967,899.00
	TOTAL LIABILITIES & PROVISIONS (1 & 2)		8,843,223.48

SCHEDULE C

LIST OF TRADEMARKS (APPLIED FOR)

1. IMaCs
2. IMaCs Logo
3. Counter Party Risk Assessment
4. CPRA
5. RiskOnNet

SCHEDULE D

LIST OF SHAREHOLDERS OF ICRA LIMITED

S. No.	Names, Addresses and Occupation of the Subscribers	Folio No.	Number of Shares of Rs. 10 each	Total Amount (in Rs.)
1.	Moody's Investment Company India Private Limited ICC Chambers, Opposite Santogen Mills, Saki Vihar Road, Powai, Mumbai-400072	31	2,562,000	25,620,000
2.	IFCI Limited IFCI Tower, 61, Nehru Place, New Delhi-110019	8	1,860,600	18,606,000
3.	State Bank of India Central Office, Madame Cama Road Mumbai-400021	12	1,020,400	10,204,000
4.	Life Insurance Corporation of India , Central Office, Yogekshema Jeevan Beema Marg, Mumbai-400021	10	765,300	7,653,000
5.	Administrator of Specified Undertaking of Unit Trust of India 13, Sir Vithaldas Thackersey Marg New Manne Lines Mumbai-400020	9	700,000	7,000,000
6.	Punjab National Bank, 7, Bhikaji Cama Place, Africa Avenue New Delhi-110066	13	525,000	5,250,000
7.	General Insurance Corporation of India Suraksha 170, J.C. Tata Road Church Gate Mumbai-400020	11	510,200	5,102,000

S. No.	Names, Addresses and Occupation of the Subscribers	Folio No.	Number of Shares of Rs. 10 each	Total Amount (in Rs.)
8.	Central Bank of India Central Office Chandermukhi, Nariman Point, Mumbai-400021	17	255,100	2,551,000
9.	Allahabad Bank 2, Netaji Subhas Road Calcutta-700001	19	171,500	1,715,000
10.	Indian Bank 31, Rajaji Salai Chennai-600001	21	102,500	1,025,000
11.	Canara Bank Funds and Investment Section, 112, J.C.Road, Bangalore – 560002	14	87,500	875,000
12.	UCO Bank 10, Biplabi Trailokya Maharaj Sarani Brabourne Road, Calcutta- 700001	15	87,500	875,000
13.	Andhra Bank 5-9-11 Secretariat Road Saifabad Hyderabad-500004	20	87,500	875,000
14.	Oriental Bank of Commerce F-14, Competent House Cannaught Place, New Delhi-110001	23	35,000	350,000
15.	Mr. Ajay Kumar Kayan 9/2, Hungerford Street, Kolkata-700017	30	35,000	350,000
	Total		8,805,100	88,051,000

LIST OF SHAREHOLDERS OF IMaCS

S. No.	Names, Addresses and Occupation of the Subscribers	Folio No.	Number of Shares of Rs. 10 each	Total Amount (in Rs.)
1.	**ICRA Limited** Kailash Building, 4th Floor, 26, Kasturba Gandhi Marg, New Delhi – 110001 Occupation : Business **Authorised** Pranab Kumar Choudhury S/o (Late) S. K. Choudhury, R/o Flat No. 799, Chartered Accountant Apartments, Paschim Vihar, New Delhi – 110063 Occupation : Service	1	49,994 (Forty Nine Thousands Nine Hundred Ninety Four)	4,99,940
2.	**Pranab Kumar Choudhury** S/o (Late) S.K. Choudhury, R/o Flat No. 799, Chartered Accountant Apartments, Paschim Vihar, New Delhi – 110063 Occupation : Service Nominee : ICRA Limited	2	1 (One)	10
3.	**Raghavendra Raghuttama Rao** S/o Anandatirtha Raghavendra Rao, R/o 20/5 Lavanya Vilas, Raghaviah Road, T. Nagar, Chennai – 600017 Occupation : Service Nominee : ICRA Limited	3	1 (One)	10
4.	**Amul Gogna** S/o V.K. Gogna R/o N-11, Kailash Colony, New Delhi –110048 Occupation : Service Nominee : ICRA Limited	4	1 (One)	10

S. No.	Names, Addresses and Occupation of the Subscribers	Folio No.	Number of Shares of Rs. 10 each	Total Amount (in Rs.)
5.	**Vijay Wadhwa** S/o Shri Lachhman Dass R/o A-A 146, Shalimar Bagh, Delhi –110088 Occupation : Service Nominee : ICRA Limited	5	1 (One)	10
6.	**Dhruba Purkayastha** S/o B.K. Purkayastha R/o G-1314, Chittaranjan Park, New Delhi –110019 Occupation : Service Nominee : ICRA Limited	6	1 (One)	10
7.	**Rohit Dharam Kumar** S/o D.V. Kumar R/o A1-102, Milan Vihar Apartments, I. P. Extension, Delhi –110092 Occupation : Service Nominee : ICRA Limited	7	1 (One)	10
	Total		50,000	500,000

<u>**SCHEDULE - E**</u>

Computation of Purchase Consideration

(Amount in Rs.)

<u>Assets</u>		
Data Processing Equipments (W.D.V.)	2,501,250.08	
Vehicles (W.D.V.)	770,503.91	
Sundry Debtors	52,207,066.00	
Loans & Advances	5,012,258.55	
Total	----------------------	60,491,078.54
<u>Less: Liabilities & Provisions</u>		
Liabilities	5,875,324.48	
[illegible]ons	2,967,899.00	
Total	----------------------	8,843,223.48
Purchase Consideration (Net Assets Value)		51,647,855.06
Purchase Consideration (Net Assets Value)		51,647,860.00

(Amount in Rs.)

LIST OF ASSETS

1	Data Processing Equipments (W.D.V.)		2,501,250.08
2	Vehicles (W.D.V.)		770,503.91
3	Sundry Debtors		52,207,066.00
4	Loans & Advances		
A	Loans to Staff	155,301.00	
B	Advances - Others		
	Advances to Staff	427,861.00	
	Advances for Tickets (Kamadhenu Travels Pvt. Ltd.)	42,542.00	
	Prepaid Expenses	610,518.62	
	Sub Total (B)	1,080,921.62	
C	Advances Recoverable from Clients for Out of Pocket Expenses	2,964,985.93	
D	Sundry Deposits		
	Car Parking Security	2,000.00	
	Cellphone Security	14,500.00	
	Earnest Money Deposit	594,950.00	
	Rent Security (Flats)	124,000.00	
	Rent Security (Premises)	75,600.00	
	Sub Total (D)	811,050.00	
	Total Loans & Advances (A to D)		5,012,258.55
	TOTAL ASSETS (1 to 4)		60,491,078.54

(Amount in Rs.)

LIST OF LIABILITIES

1	Liabilities			
	A	Sundry Creditors for Expenses Payable	1,080,724.38	
	B	Advances Received from three Clients	360,600.00	
	C	Other Liabilities		
		Deposits from employees for Vehicles provided	223,941.60	
		Professional Tax Payable	2,600.00	
		Provision for Expenses	540,050.50	
		Service Tax Payable	857.00	
		Service Tax Realisable	3,666,551.00	
		Sub Total (C)	4,434,000.10	
		Total Liabilities (A to C)		5,875,324.48
2	Provisions			
	A	Provision for Gratuity	2,477,703.00	
	B	Provision for Leave Encashment	490,196.00	
		Total Provisions (A to B)		2,967,899.00
		TOTAL LIABILITIES & PROVISIONS (1 & 2)		8,843,223.48

Computation of Purchase Consideration

(Amount in Rs.)

Assets		
Data Processing Equipments (W.D.V.)	2,501,250.08	
Vehicles (W.D.V.)	770,503.91	
Sundry Debtors	52,207,066.00	
Loans & Advances	5,012,258.55	
Total	----------------------	60,491,078.54
Less: Liabilities & Provisions		
Liabilities	5,875,324.48	
Provisions	2,967,899.00	
Total	----------------------	8,843,223.48
Purchase Consideration (Net Assets Value)		51,647,855.06
Purchase Consideration (Net Assets Value)		51,647,860.00

Dated this the 29th day of March, 2006
(By order of the Court)

Sd/-
Joint Registrar (ɱ.)

No. 6405/..........
Date of Presentation of ... 1/7/2016
Application for copy ....
No. of Words ... 39
Copying Fee ... 145/-
Process Fee ... Ordinary ... 20/-
Registration ... Fee ....
Agency ....
Total Rupees ... 155/-
Name of ... Fast Mandal & Co.
Date of ....
for ... 20/7/16
Date of ... 20/7/16
Date of ... 20/7/16

Administrative Judge (Original) 20/7/16
High Court of Delhi
New Delhi