

ARTICLES  
OF  
ASSOCIATION





THE COMPANIES ACT, 1956  
(PRIVATE COMPANY LIMITED BY SHARES)

Articles of Association

OF

**BHUSHAN PROMOTERS AND DEVELOPERS PRIVATE LIMITED**

**PRELIMINARY**

1. The regulation contained in Table "A" in the First Schedule of the Companies Act, 1956 as amended from time to time so far as they are not hereinafter exclude, modified or altered and are applicable to a Private Limited company shall apply to the Company.
2. Regulations No. 21, 22, 23, 26, 27, 28, 40, 42, 43, 49(2), 53, 64, 66, 84, 85, 98 and 99 of Table 'A' shall not apply to the company.
3. Unless the context otherwise requires, words or expressions contained in these Articles, shall bear the same meaning as in the Act or any statutory modification thereof.

"The company" means the above name company.

The marginal notes are inserted for convenience and shall not affect the construction hereof and in these presents unless there be something in the subject inconsistent therewith.

"The Act" means the Companies Act, 1956 and includes any re-enactment to statutory modification thereof for the time being in force and "Section" shall mean of the said Act.

"Directors" mean the Directors for the time being of the Company.

"The Managing Directors" means the Managing Director for the time being of the Company so appointed.

"The Board of Directors" or "The Board" means the Board of Directors for the time being of the Company.

"Office" means the Registered Office for the time being of the Company.

"Register" means the Register of Member to be kept pursuant to Section 150 of the Act.

"Seal" means the common seal for the time being of the Company.

"Month" and "Year" means a calendar month and a calendar year respectively.

"In writing" and "written" include printing, lithography or in electronic and any other modes of representing or reproducing words in a visible form.

Words importing singular number shall plural and vice versa and words importing the masculine gender shall include feminine gender and the words importing

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persons shall include body corporate firm, association of persons and society registered under the Societies Registration Act.

“Debentures” includes debenture stocks.

“Special Resolution” and “Ordinary Resolution” have the same meaning assigned thereto by Section 198 of the Act.

These “presents” means the Memorandum of Association and these Articles of Association of the Company for the time being in force.

“Articles” mean these Articles of Association or as altered and modified from time to time according to law.

#### ***PRIVATE COMPANY***

4. The Company is a private company, within the meaning of section 3(1) (iii) of the Companies Act, 1956 and accordingly:
  - (a) No invitation shall be issued to the public to subscribe for any shares in or debentures of the Company.
  - (b) The number of the members of the Company (exclusive of persons who are in the employment of the Company and the persons who having been formerly in the employment of the Company were members of the Company while in that employment & have continued to be members after the employment ceased) shall be limited to fifty PROVIDED that for the purpose of this provision, where two or more persons hold one or more share jointly in the Company they shall be treated as a single member.
  - (c) The right to transfer the share(s) of the Company is restricted in the manner and to the extent hereinafter appearing.
  - (d) The minimum paid-up capital is Rs. 1,00,000/- (Rupees One lac).
  - (e) Prohibits any invitation or acceptance of deposits from persons other than its members, directors or their relatives.
5. The Company shall have power to issue preference shares carrying a right to redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of such redemption or liable to be redeemed at the option of the Company & the Board may, subject to the provisions of Section 80 of the Act, exercise such powers in such manner and on such terms as the Company may, before the issue of such preference shares, is determined by Special Resolution.

#### **SHARE CAPITAL**

6.
  - (a) The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided under Clause No. V of the Memorandum of Association of the Company.
  - (b) The shares in the capital of the Company for the time being shall be under the control of the Directors, who may by unanimous approval of all Directors, allot or otherwise dispose of the same or any of them to such person or persons including minor in such proportion and on such terms & conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at

a discount and at such time as they may from time to time think proper and with full power to give to any person the option to call for or buy at a premium being exercisable at such times & for such consideration as the Directors think fit.

(c) Notwithstanding anything contained in Section 79 of the Act or elsewhere in this Articles, the Company may from time to time, issue Sweat Equity Shares of a class of shares already issued, subject to compliance with the provisions of Section 79A of the Act.

7. (a) Subject to the restriction of these Articles a share may be transferred by a member or other person entitled to transfer, to any person including minor selected by the transferor at a fair value, but no share shall be transferred to a person who is not a member unless such person selected by the transferor is approved by the Board of Directors unanimously as one of whom it is desirable in the interest of the Company to admit to membership. In case the Board of Directors do not approve the person selected by the transferor such share shall be transferred to any person including minor selected by the Board of Directors unanimously as one of whom it is desirable and in the interest of the Company to admit to membership.

(b) In case any discrepancy arises between the proposing transferor and the purchaser as to the fair value of a share, the Auditors of the Company shall on the application of either party certify in writing the same which in their opinion is the fair value and such sum shall be deemed to be the fair value.

(c) The Directors may, in their absolute discretion and without assigning any reason thereof decline to register transfer of any share, whether or not it is a fully paid share.

(d) The Company shall be entitled to register any shares in the name of a minor if fully paid up and allow the dividend thereof to be collected by such person as it deems the guardian of such minor shareholder.

8. Notwithstanding anything contained contrary elsewhere in these Articles whenever any member of the Company who is employed by the Company as a full time Director or otherwise resigns or is dismissed from employment or is removed from such Directorship, the Board may at any time with 14 days of his resignation or dismissal or removal, resolve that such member will demand transfer of his shares or share (including Sweat Equity Shares already issued if any) to any one member nominated by the Board at a fair value to be fixed by the Auditors. Should the said member decline to transfer his share or shares, the Company may receive the purchase money and shall thereupon cause the name of the person nominated by the Board to be entered in the Register as the holder of the share or shares and shall hold the purchase money in trust for such member. The Board shall have the power to issue fresh or duplicate share certificate or certificates, to the person nominated by the Board as aforesaid and cancel original share certificate or certificates. The receipt of the Company for the purchase money shall be a good discharge to the person nominated by the aforesaid powers and the validity of the proceeding shall not be questioned by any person.

9. Any person becoming entitled to the transfer of any share in consequence of the death or insolvency of any sole holder thereof or in any way other than by transfer upon producing such evidence of his title thereof that he sustains the character in respect of which he proposes to act under these Articles as the Directors think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give) and without production of any probate or Letters of Administration or Succession Certificate and upon such terms as to indemnity or otherwise as the Directors may impose, be registered as a member himself in respect of such share, may with such consent and subject as aforesaid, transfer the share to such other person as the Directors may approve of unanimously. However in the event of his proposing to transfer to such person as aforesaid, shall be subject to the same restrictions as those herein before.
10. The shares shall be issued and allotted to all the subscriber shareholders of the company.

#### **PROCEEDINGS AT A GENERAL MEETING**

11. (a) A General Meeting may be called by giving not less than 21 days clear notice in writing duly specifying the place, the day and the hour of the meeting, to the persons entitled to vote there at, in the manner laid down in the Act., provided that a general meeting may be called after giving shorter notice than that specified above if the members of the Company holding paid-up capital of the Company carrying a right to vote a meeting so agree in writing.  
(b) Any accidental omission to give notice to or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.  
(c) Save as otherwise expressly provided by the Act all resolutions shall be passed at General Meetings by Special Resolutions.
12. (a) The Chairman may, with the consent of any meeting at which a quorum is present and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place.  
(b) Any business may be transacted at any adjourned meeting in addition to the business left unfinished at the meeting from which the adjournment took place provided a notice of the additional business to be transacted at the adjourned meeting is given as in the case of an original meeting.  
(c) When a meeting is adjourned for 30 days or more notice of the adjourned meeting.  
(d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.  
(e) If at an adjourned meeting also quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall stand dissolved and shall be called afresh.  
(f) Two members present personally shall be a quorum for all purposes at any adjourned meeting or Annual General Meeting.

### **BOARD OF DIRECTORS**

13. Until otherwise determined by the Company in General Meeting the number of Directors shall not be less than two and not more than nine.
14. The Subscribers shall become be the First Directors of the Company.
15. The Board shall have power to appoint the Directors generally and to appoint Additional Directors and to fill any casual vacancy.
16. Directors shall not be required to hold any qualification shares.
17. Directors shall not be liable to retire from office by rotation.
  
18. The Board may appoint any person as an Alternate Director, to act for a Director during his absence for a period of not less than three months, from the State in which meetings of the Board are ordinarily held and such Alternate Director shall, ipso facto, vacate office if and when the absentee Director returns to the State or vacates his office as Director.
  
19. In the event of the company borrowing any money from, and while such money remains due, any financial corporation, institution government body, bank, collaborator, person or any other loan giving agency or source shall have, if the terms of agreement so provide, power or any may exercise such power to appoint one or more d Directors of the Company and any Director so appoint shall hold office during the pleasure of or may be removed or substituted by any person by the appointing authority, provided such appointment or removal shall be in writing signed by the appointer and served to the Company.
  
20. The company may, by ordinary resolution of which special notice has been given in accordance with Section 190 of the Act, remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such director may have for damages or for breach of any contract of service between him and Company.
  
21. The Company may subject to the provisions of Section 284, appoint another person in place of a Director removed from office under the immediately preceding Article in the same meeting and may in general meeting appoint any person as a Director provided special notice has been given to the Company of the intention to propose him, together with a notice in writing by the intended Director of his willingness to elected.
  
22. In addition to the grounds mentioned in Section 283 of the Act, the office of a Director would be vacated if any Director resigns his office by notice in writing to the Company.
  
23. The management of the business of the Company shall be vested in the Board of Directors and the Board of Directors may exercise all such powers and do all such

acts and things as the company is by its Memorandum of Association or otherwise authorized to exercise or do and as are not hereby or by statute directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and to these presents & regulations from time to time made by the company in general meeting not being inconsistent with the provisions of these presents provided that no such regulations shall invalidate any prior act of the Directors when would have been valid such regulation had been made.

24. Subject to the provisions to the Act, the Directors may from time to time at their discretion, raise or borrow from any Director, member, person, firm, company or bank any sums of money at such interest and upon such security and conditions in all respects as they think fit or expedient and in particular by the issue of debentures, debenture stock or bonds of the company and by mortgage, charge or other security on all or any properties of the Company or any part including its uncalled capital for the time being.
25. The Board of Directors shall have the power to delegate any of the powers or authorities vested in them, except such as are not hereby or by status directed or required to be expressly exercised or done by Directors in a Board Meeting, to the Managing Directors (s), Wholtime Director(s), Director(s)-in- charge or any other person(s) as they think fit and proper.
26. The Directors may, from time to time and at any time, by power of attorney appoint any company, firm or body of persons whether nominated directly or indirectly by the Directors to be attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Articles ) and for such period and subject to the conditions as they may thing fit and any power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorize such attorney to delegate all or any of the powers, authorize and discretions vested in him.
27. The Board of Directors of the company shall have the powers to enter into agreements and adopt agreements relating to acquisition of business and also the assets and liabilities of any concern.
28. The remuneration of Director shall from time to time, be determined by the Board and the same may be in the form of a monthly allowance or in any other manner and may be equal or carrying in the case of each Director.
29. Each Director shall be entitled to be paid out of the funds of the Company for attending meetings of the Board or a Committee thereof including meeting such sum as sitting fees as shall be determined from time to time by the Directors but not exceeding their limits as prescribed in Section 310 of Act.

30. (a) The remuneration of the Directors shall in so far as it consists of a monthly payment, be deemed to accrue from day to day.  
(b) In addition to the remuneration payable to them in pursuance of the Act or the Articles, the Directors may be paid all traveling, hotels and other expenses incurred by them:  
(c) In attending and returning from meetings of the Board of Directors of any committee thereof or general meetings of the company including the adjourned meetings, or,  
(d) In execution of their duties as Directors of the Company or in connection with the business of the Company.
31. In any Director being willing, shall be called upon to perform extra services in going or residing away from his place of residence for any of the Company or to give special attention to the business as a member of Committee of Directors or to hold any special exertions for any of the purposes of the Company, the Company may subject to the provisions of the Act., remunerate such Director by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors and such remunerations may either be in addition to or in substitution for any other remuneration to which he may otherwise be entitled.
32. Any director may hold any other office or place of profit in the Company in conjunction with the office of Director on such terms as to remuneration and otherwise as may be fixed by the board, subject to the provisions of section 314 of the Act.
33. The Company, may subject to the provisions of these Articles and the Act, pay a commission on the net profits of the Company to its Directors whether whole or part time employment of the company or not.
34. The quorum for a meeting of the Board 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 if a quorum is not present within fifteen minutes from the time appointed for the meeting, it shall be adjourned until such date and time as the Chairman of the Board shall appoint.
35. A resolution circulated amongst the Directors and signed by all the members of Board or Committee thereof, then in India or by majority of them as entitled to vote on the resolution shall be as valid and effectual as if had been passed at a meeting of the Board or a Committee duly convened and held.
36. Subject to the provision of Section 297 of the Act, a Director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise, for goods, materials or services nor any such contract entered into by or on behalf of the Company with a relative of such director or firm in which such Director or relative is partner or with other partners in such firms or a private company of which such Director is a member or Director be avoided, nor shall



any Director so contracting or being such member or so interested be liable to account to the Company for any profit realized such by contract by reason of such director holding that office or fiduciary relation thereby established.

37. Regulations 67 to 70 and 73 to 80 of Table "A" shall apply.

#### **BORROWING POWERS**

38. The Directors may, from time, to time, at their discretion borrow any sum or sums of money or make any arrangement for finance for the purpose of the Company and may raise or secure the payment of such sum or sums or the financial arrangement in such manner and upon such terms and conditions in all respects as they think fit and in particular by making, drawing, accepting or endorsing on behalf of the Company any promissory notes or bills of exchange or by issuing bonds, perpetual or redeemable debentures or debenture stock or any mortgage, charge or other security on the undertaking or the whole or any part of the property of the company both present and future including its uncalled capital for the time being.

#### **MANAGING OR WHOLETIME DIRECTORS**

39. Subject to the provisions of Section 197A of the Act, the Board may from time to time and with the unanimous consent appoint one or more Directors to be Managing Director or Wholetime Director or Managing Director or wholetime Directors of the Company, either for a fixed term or without any limitations as to the period for which he or they are to hold such office, and, may from time to time (subject to the provisions of any contract between him or them and the Company), remove or dismiss him or them from office and appoint another or others in his place or their places.
40. A Managing or Whole-time Director shall be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately cease to be a Managing Director or Whole-time Director, as the case may be, if he ceases to hold the office of Director for any cause.
41. Subject to the provisions of the Act and in particular to the prohibition and restrictions contained in Section 292 thereof, the Board may, from time to time, entrust to and confer upon a Managing Director or Whole-time Director for the time being, such of the powers exercisable under these presents by the Board as it may think fit, and may configure such powers for such time, and to be exercised for such objects and purpose and upon such terms and conditions and such restriction it things fit, and the Board may from time to time, revoke, withdraw alter or vary all or any such powers.

## **SECRECY**

42. No member shall be entitled to require or receive any information concerning the business, trading and customers of the Company beyond such information as to accounts and business of the Company as is by these present or by the Act, directed to be laid before the Company in general meeting.
43. Subject to the provisions of the Act, every Director, Manager, Auditor, Secretary, Treasurer, Trustee, Members of a Committee, Accountant, Agent, Officer, Servant or other person employed in the business of Company, shall when required to sign a declaration lodging himself to observe a secrecy respecting any transaction of the Company with customers and the state of accounts with individuals and in matters relating thereto and in all technical matters concerning equipment and process and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or the Auditors or by resolution of the Company in General Meeting or by a Court of Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained. Nothing herein contained shall affect the powers of Central Government or any officer appointed by the Government to enquire or to hold investigation into the Company's affairs.
44. No member or other person (not being a director), shall be entitled to enter upon the property of the Company or to inspect or examine the premises or properties of the Company without the permission of the Board or of the Managing Director or Subject to Article 41 to require discovery or any information respecting any detail of the trading of the Company or any other matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which is in the opinion of the Board or of the Managing Director will be inexpedient in interest of the Company to communicate.

## **RECONSTRUCTION**

45. On any sale of the undertaking of the Company the Board or the Liquidators on a winding-up may if authorized by special resolution, accept fully paid or partly paid up shares, debentures or securities of any other company whether incorporated in India or not, either then existing or to be formed for the purpose in whole or in part of the property of the company, and the Board (if the profits of the Company permit) or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of the Company amongst the members without realization or vest the same in trustees for them and any special resolution may provide for the distribution or appropriation than in accordance with the strict legal rights of the members, or contributors of the Company, and for the valuation of any holders of the shares shall be bound to accept any valuation or distribution so authorized and waive all rights in relation thereto, save only in case the

Company is proposed to be or is in course of being wound up such statutory rights (if any) under section 494 of the Act, as are incapable of being varied or excluded by these Articles.

#### **SEAL**

46. The Directors shall procure a Seal to be made for the safe custody thereof. The Seal shall not be affixed to any instrument except by the Authority of a resolution of the Board or a Committee or Directors. Every instrument or deed to which the seal is affixed shall, unless the same is executed by a duly constituted attorney of the Company, be signed by at least by one Director in whose presence the seal is so affixed provided however that share certificates shall be sealed in accordance with the provisions of the Companies (Issue of Share Certificates) rules, 1960 as in force from time to time.

#### **WINDING UP**

47. If the Company shall be wound up and the assets available for distribution amongst 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 may be the losses shall be borne by the members in proportion of 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, if the assets available for distribution amongst 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 paid up at the commencement of the winding up 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 the shares issued upon special terms and conditions.
48. If the company shall be wound up whether voluntarily or otherwise the liquidators may with the sanction of a special resolution, divide among the contributories in specie or in kind, an part of the assets of the Company, and may with the like sanction vest any part of the assets of the contributories or any of them, as the liquidators with the like sanction, shall think fit.

#### **INDEMNITY**

49. Every Director, Manager, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed as Auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, manager Secretary, Officer, Employee or Auditor in defending any proceedings whether civil or criminal, in which judgment is given in his favour or in which he acquitted or in connection with any application under section 633 of the Act in which relief is granted to him by the court.

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

Signature, Names, Addresses, Father's Name, Description and Occupations of Subscribers	Total Number of Equity Shares to be taken by each subscriber	Name, address and Description of Witness.
<p>1. KAMAL BHUSHAN S/o Bishwanath Bhagat, MO- Madhukam, P.O. Hehal, P.S.: Sukhdeonagar, Ranchi – 834005. Jharkhand Occupation: Business <i>Kamal Bhushan</i></p>	<p>30,000 (Thirty Thousand Only)</p>	<p><b>GOENKA PATODIA &amp; CO.</b> <b>CHARTERED ACCOUNTANTS</b> J. J. Road, Upper Bazar, Ranchi - 834001, Jharkhand</p> <p><i>Jinay Goenka</i></p>
<p>2. KANCHAN ARYA D/o Lakhan Kumar Nanda Madhukam, P.O.: Hehal, P.S.: Sukhdeonagar, Ranchi – 834005. Jharkhand Occupation: Business <i>Kanchan Arya</i></p>	<p>19,000 (Nineteen Thousand Only)</p>	
<p>3. PREMANAND KUMAR S/o Vidya Bhushan Metro Gali, Krishna Nagar Colony, Ratu Road, Ranchi – 834005. Jharkhand Occupation: Business <i>Premanand Kumar</i></p>	<p>500 (Five Hundred Only)</p>	
<p>4. SANTOSH KUMAR NANDA S/o Lakhan Nanda Madhukam, P.O.: Hehal, P.S.: Sukhdeonagar, Ranchi – 834005. Jharkhand Occupation: Business <i>Santosh K. Nanda</i></p>	<p>500 (Five Hundred Only)</p>	



