

ARTICLES OF ASSOCIATION
OF
SUSHRUTA VISHRANTHI DHAMA LIMITED
(COMPANY LIMITED BY SHARES)

PRELIMINARY

1. (1).The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Said Act.

(2). The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to its regulations by Resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.

INTERPRETATION

2. (1) In these regulations—

- (a) “the Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
 - (b) “the seal” means the common seal of the company.
 - (c) “Articles” means these articles of association of the Company or as altered from time to time.
 - (d) “Board” or “Board of Directors” means the collective body of the directors of the Company.
 - (e) “Company” means “**SUSHRUTA VISHRANTHI DHAMA LIMITED**”
 - (f) “Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
- (2) Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.
- (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 in force at the date at which these Articles become binding on the company.

NEW SHARES:

3. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions, herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
4. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are liable to be redeemed within a period not exceeding twenty years from the date of their issue subject to such conditions as may be prescribed.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. Subject to the provisions of the Act and these Articles, the shares in the capital of the company 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 and at such time as they may from time to time think fit.
6. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid- up or partly paid-up otherwise than for cash and if so issued, shall be deemed to be fully paid-up shares, as the case may be.
7. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:
 - (a) Equity share capital:
 - (i) with voting rights; and/or
 - (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
 - (b) Preference Share Capital
8. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
 - (i) One certificate for all his shares without payment of any charges; or

(ii) Several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.

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

(3) 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.

8 (a). Every shareholder shall have the option to apply for a dwelling unit and on such application shall be allotted the right for his exclusive use of a cottage / apartment/ dormitory or other residential space (hereinafter referred to as the 'Unit') and the right to shared use of the common areas and facilities (hereinafter referred to as 'CAF') (both the rights are hereinafter collectively referred to as 'Member's right to exclusive use of a Unit & CAF') in the retirement village Sushruta Vishranthi Dhama (SUVIDHA) set up by the Company at Survey Nos.18/4 and 18/16, Uttarahalli Manavarthe Kaval, Uttarahalli Hobli, Thalaghattapura, Off Kanakpura Main Road, Bangalore South Taluk, Bangalore 560109, while the Company continues to own the said retirement village and while the member holds at least the prescribed minimum number of fully paid Equity Shares of the Company (hereinafter referred to as 'Qualifying Shares') and her/his name is entered in the register of members. The carpet area and type of the Unit each member is entitled to and the number of Qualifying Shares to be held for the same may be decided by the members by passing a resolution. Any alteration therein shall require a Special Resolution of the members. The rules governing the allotment, holding, transfer, transmission, surrender, repossession, forfeiture and re-allotment of the Member's right to Unit & CAF and the rights and obligations of the Company and the member as a holder of such Unit may be decided by the members of the Company by passing a resolution. Any alterations of such rules, once approved, will require a Special resolution of members. The Member's right to Unit & CAF shall be subject to such rules as approved by the members from time to time.

8 (b) The Members Committee as constituted by the shareholders in the general meeting held on 14th September 2013 and as mandated by the Board of Directors, has prepared a detailed Manual called the Residents and Visitors Manual (RVM). The RVM has been duly approved by the Board as well as by the shareholders in the General Body Meeting held on 12.7.2014 and subsequently amended from time to time by following the due process. **It is of significance to note that the RVM is applicable to all shareholders, residents and visitors, who are legally mandated to abide by the same in terms of the shareholder's agreement signed with SUVIDHA.**

8 (c) The Members Committee is also hereby mandated by the Board of Directors to deal with cases of transgressions from the RVM which may be referred to it by the Board and recommend effective measures to resolve the same. For this purpose, the Members Committee may also evolve, as part of the RVM, a Code of Conduct, prescribe and adopt a suitable procedure for settlement of issues relating to transgressions, identify and propose possible actions in terms of

penalties if the transgressions cannot be resolved in a peaceful manner and finally examine and specify the need for any procedural or legal remedial action in extreme cases of transgression for consideration of the Board, all of which shall be placed before shareholders for approval in an EGM before implementation.

9. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back 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 Board deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fee for each certificate as may be fixed by the Board.

10. The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the company.

11. Except as required by law, no person shall be recognized by the company as holding any share upon any 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.

12. (1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.

(2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.

(3) 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.

13. (1) 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 provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.

(2) To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.

14. The rights conferred upon the holders of the shares of any class issued with preferred 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. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

16. (1) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to-

(a) Persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

(b) employees under any scheme of employees' stock option; or

(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

(2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

(3) DEMATERIALISATION OF SECURITIES

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996 and Security Exchange Board of India (SEBI) Rules when shares are offered to the public.

Notwithstanding anything to the contrary or inconsistencies contained in the Act or these Articles, the Company shall be entitled to dematerialize its existing securities, rematerialize its securities, held in the Depositories and/ or offer its fresh Securities, in a dematerialized form pursuant to the Depositories Act and the Rules framed there under and if the shares are offered to the public, the provisions of Depositors Act, 1996, relating to dematerialization of Securities, (including any

modification or re-enactment thereof and Rules/ Regulations made there under) shall prevail and apply accordingly.

LIEN

17. (1) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the company:

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(2) The company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.

(3) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.

18. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a 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 to the person entitled thereto by reason of his death or insolvency.

19. (1) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

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

(3) 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 with reference to the sale.

20. (1) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(2) 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 person entitled to the shares at the date of the sale.

21. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice any such claim.

22. The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

CALLS ON SHARES

21. (1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

(2) 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 place so specified, the amount called on his shares.

(3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.

(4) A call may be revoked or postponed at the discretion of the Board.

22. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

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

24. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at 12% per annum or at such rate as may be fixed by the Board.

(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.

25. (1) 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 Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(2) In case of non-payment of such sum, all the relevant provisions of these Articles 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.

26. The Board—

(1) May, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(2) Upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

27. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

28. All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

29. Neither a judgment nor a decree in favor of the Company for calls or other money due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

30. The Provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.

TRANSFER OF SHARES

31. (1) The instrument of transfer of any share in the company shall be duly executed by or on behalf of both the transferor and transferee.

(2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

32. The Board may, subject to the right of appeal conferred by Act declines to register—

(1) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(2) any transfer of shares on which the company has a lien.

- iii) Any transfer of shares less than the minimum lot of Equity Shares prescribed for transfer by the Board of Directors subject however to the following exceptions:
1. Transfer of equity shares in pursuance of a statutory order or an order of a competent Court of Law.
 2. Transfer of entire holding of equity shares of a member which is less than the lot prescribed by the Board of Directors to one or more transferee, provided that the total holding of the transferee or each of the transferees as the case may be will not be less than one fourth of the original holding after the said transfer.
 3. Transfer of entire equity shares held by a Member in cases of hardships at the sole discretion of the Directors.
 4. Transfer of entire equity shares which are less than the prescribed lot by the Board of Directors which have been allotted to him by the company as a result of any issue of Bonus and/or Rights.
 5. Transfer of entire equity shares by an existing member holding less than the prescribed lot of shares by a single transfer to a single or joint names.
 6. Transfer of not less than prescribed lot of equity shares in the aggregate in favour of the same transferee in two or more transfer deeds, submitted together within which one or more relates to the transfer of less than the minimum number of equity shares prescribed for transfer."
- iv) any transfer of shares to an individual, group, constituent of a group, firm, body corporate or bodies corporate under the same management if the total nominal value of the equity shares intended to be so transferred exceeds, or would, together with the total nominal value of any equity shares already held in the Company by such individual, group, constituent of a group, firm, body corporate or bodies corporate under the same management exceed five percent of the total paid up equity share capital of the Company.

33. The Board may decline to recognize any instrument of transfer unless—

- (1) the instrument of transfer is duly executed and is in the form as prescribed in rules made under the Act;
- (2) 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
- (3) the instrument of transfer is in respect of only one class of shares.

34. On giving of previous notice of at least seven days' or such lesser period in accordance with the Act and Rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

35. The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

TRANSMISSION OF SHARES

36. (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(2) Nothing in clause (1) 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.

37. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

(3) The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

38. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

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

(3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

39. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect

of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

40. The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.

FORFEITURE OF SHARES

41. If a member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

42. The notice aforesaid shall—

(1) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(2) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

43. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

44. Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

45. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

46. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the shares.

47. (1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.

2) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

48. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(2) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.

(3) 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.

49. (1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has 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 share;

(2) The company may receive the consideration, if any, given for the share on any sale or re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(3) The transferee shall thereupon be registered as the holder of the share; and

(4) The transferee shall not be bound to see to 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 re-allotment or disposal of the share.

50. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

51. The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.

52. The provisions of these Articles as to 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 share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

53. The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

ALTERATION OF CAPITAL

54. Subject to the provisions of the Act, the Company may, by ordinary resolution,—

- 1) Increase the share capital by such sum, to be divided into shares of such amount, as it thinks expedient;
- 2) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;
- 3) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- 4) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- 5) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

55. Where shares are converted into stock,—

- 1) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- 2) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- 3) such of these Articles of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/“member” shall include “stock” and “stockholder” respectively.

56. The company may, by resolution, as prescribed by the Act, reduce in any manner and in accordance with provisions of the Act and the Rules,-

- (1) its share capital;
- (2) any capital redemption reserve account; and/or
- (3) any share premium account; and/or
- (4) any other reserve in the nature of share capital.

CAPITALIZATION OF PROFITS

57. (1) The company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve—

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's 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 (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, 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 or other securities 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);

(3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(4) The Board shall give effect to the resolution passed by the company in pursuance of this Article.

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

- (a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and
- (b) generally do all acts and things required to give effect thereto.

(2) The Board shall have power—

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

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization, 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 capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

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

BUY-BACK OF SHARES

59. Notwithstanding anything contained in these articles but subject to all applicable provisions of the Act or any other law for time being in Force,, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

60. All general meetings other than annual general meeting shall be called extraordinary general meeting.

61. (1) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(2) 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.

(3) A General Meeting of the Company may be called by giving not less than twenty one days' notice in writing or after giving such shorter notice as provided for in the relevant section of the Act or any statutory modification thereof.

(4) A General Meeting of the Company may be called by giving not less than twenty one days' notice either in writing or through electronic mode in such manner as prescribed in Rule 18 of the Companies (Management and Administration) Rules, 2014.

(5) Notice of every meeting of the Company shall be given:

- i) to every member of the Company;
- ii) to the persons entitled to a share in consequence of the death or insolvency of a member.
- iii) to the auditor or auditors for the time being, of the Company, and
- iii) every Director of the Company.

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 of the meeting.

(6) DOCUMENTS TO BE ANNEXED TO THE NOTICE ETC.

(a) Where any item of business to be transacted at the meeting are deemed to be special in accordance with the provisions of the Act there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of special business, including in particular the nature and extent of the interest, if any, therein of every director and the manager, every other key managerial personnel and relatives of the persons mentioned as above, if any.

(b) Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement mentioned above.

PROCEEDINGS AT GENERAL MEETINGS

62. (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.

(3) The quorum for a general meeting shall be as provided in the Act.

63. The chairperson of the Company shall preside as Chairperson at every general meeting of the company.

64. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

65. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

66. One any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.

67(1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot, if any, to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.

(2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting-

(a) is, or could reasonably be regarded, as defamatory of any person; or

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interests of the Company.

(3) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.

(4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

68. (1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot, if any, shall:

(a) be kept at the registered office of the Company; and

(b) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m on all working days other than Saturdays.

(2) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf of the Company and on payment of such fee as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above, Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

69. The Board and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

ADJOURNMENT OF MEETING

70. (1) The Chairperson 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.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(4) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

71. 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.

72. Subject to the provisions and Rules of the Act related to electronic voting, if and whenever the company conducts electronic voting, a member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

73. (1) 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.

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

74. 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. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.

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

76. 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 or in regard to which the Company has exercised any right of lien.

77. A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Articles.

78. Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

PROXY

79. (1) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

(2) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or 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.

80. An instrument appointing a proxy shall be in the form as prescribed in the Rules.

81. 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 the revocation of the proxy or of

the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

82. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 [three] and shall not be more than 10 (Ten).

83. The following shall be the first Directors of the Company:-

1. Dr. K.S. Shekar
2. Dr. R. Subba Rao
3. Dr. Jinka Subramanya
4. Dr. C. Munichoodappa
5. Dr. Vivek Kadambi
6. Dr. K. Sukumar Shetty
7. Dr. Aswath N. Rao

84. (1) The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation subject to the provisions of relevant sections of the Act.

(2) The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

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

(2) The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.

(3) 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.

86. 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.

87. (1) Subject to the provisions 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 the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(2) Such person shall hold office only up to 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.

88. (1) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. 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 the Act.

(2) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the original Director returns to India.

(3) if the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

89. (1) if the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

(2) The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.

90. The Board may pay all expenses incurred in getting up and registering the company.

POWERS OF BOARD

91. The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meetings but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

RESTRICTIONS ON THE POWERS OF BOARD

- a) The Board shall not exercise the powers referred to in Section 180 of the Act without the consent of the Company in general meeting and only to the extent mentioned therein or any statutory modification thereof.
- b) In giving loans to Directors and other persons mentioned in Section 185 of the Act, the Board shall conform to the provisions of the Section or any statutory modifications thereof.

PROCEEDINGS OF THE BOARD

92. (1) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(2) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time summon a meeting of the Board.

(3) The quorum for a Board meeting shall be as provided in the Act.

(4) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

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

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

94. 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.

95. (1) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

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

96. (1) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(2) 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.

(3) The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

97. (1) A committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.

(2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

98. (1) A committee may meet and adjourn as it thinks fit.

(2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present.

(3) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

99. All acts done in 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 or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

100. Save as otherwise expressly provided in the Act, a resolution in writing, signed whether manually or by secure electronic mode, by a majority of the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

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

101. Subject to the provisions of the Act,—

(1) A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board;

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

Registers

102. The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees,

security and acquisitions, register of investments not held in its own name and register of contracts and arrangement for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The Registers and copies of annual return shall be open for inspection during 11.00 a.m to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

103 (1) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.

(2) The foreign register shall be open for inspection and may be closed and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

DIVIDENDS AND RESERVE

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

105. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such time as it may think fit.

106. (1) 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 applied 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, think fit.

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

107. (1) 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.

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

(3) 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.

108. (1) 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.

(2) The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

109. (1) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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.

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

110. 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.

111. No dividend shall bear interest against the company.

Accounts

112. (1) The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.

(ii) No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the company except as conferred by law or authorized by the Board .

Winding up

113. Subject to the applicable provisions of the Act and the Rules made thereunder—

(1) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(2) For the purpose aforesaid, 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.

(3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

114. (1) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

(2) Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favor or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

(3) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

GENERAL POWER

115. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

Note: The Articles shall be signed by each subscriber of the memorandum of association who shall add his address, description and occupation, if any, in the presence of at least one witness who shall attest the signature and shall likewise add his address, description and occupation, if any, and such signatures shall be in form specified below:

Names, addresses, descriptions and occupations of subscribers	Witnesses (along with names, addresses, descriptions and occupations)
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<p>1. A.B. of.....Merchant</p>	<p>Signed before me</p>
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Dated the.....day of20.....
Place: