

# **ANNEXURE – II**

**MEMORANDUM OF  
ASSOCIATION**

**&**

**ARTICLES OF ASSOCIATION**

**MAHINDRA  
EDUCATIONAL  
INSTITUTIONS  
(Section 25 Company)**



*[Handwritten signature]*



## प्रारूप 1 पंजीकरण प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U80300AP2013NPL086878

2013 - 2014

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

Mahindra Educational Institutions

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) की धारा 25 के अधीन आज किया जाता है और यह कम्पनी प्राइवेट लिमिटेड है।

यह निगमन-पत्र आज दिनांक नौ अप्रैल दो हजार तेरह को हैदराबाद में जारी किया जाता है।

### Form 1 Certificate of Incorporation

Corporate Identity Number : U80300AP2013NPL086878

2013 - 2014

I hereby certify that Mahindra Educational Institutions is this day incorporated under Section 25 of the Companies Act, 1956 (No. 1 of 1956) and that the company is private limited.

Given at Hyderabad this Ninth day of April Two Thousand Thirteen.

Registrar of Companies, Andhra Pradesh

कम्पनी रजिस्ट्रार, आंध्र प्रदेश

\*Note: The corresponding form has been approved by POLA RAGHUNATH, Assistant Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.  
The digitally signed certificate can be verified at the Ministry website ([www.mca.gov.in](http://www.mca.gov.in)).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

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

Mahindra Educational Institutions

Satyam Computer Services Limited, Survey No: 62/1A, Bahadurpally, Jeedimetla,

Hyderabad - 500043,

Andhra Pradesh, INDIA



Section 25 Licence Number : 102853

### Licence under section 25 of the Companies Act, 1956

Whereas it has been proved to my satisfaction that the MAHINDRA EDUCATIONAL INSTITUTIONS ,an association is to be registered as a company under the Companies Act, 1956 for promoting objects of the nature specified in section 25, sub-section (1), clause (a) of the said Act, and that it intends to apply its profits, if any, or other income in promoting its objects and to prohibit the payment of any dividends to its members.

Now, therefore, in exercise of the powers conferred by section 25 of the said Act, read with the notification of the Government of India, in the Ministry of Corporate Affairs No. G.S.R. 368(E), dated 9th May, 2011 whereby the power has been delegated to Registrar of Companies, I, N KRISHNAMURTHY, the Registrar of Companies at Andhra Pradesh , hereby grant this licence, directing that the said association be registered as a company with limited liability without the addition of the word "Limited" or the words "Private Limited" to its name, subject to the following conditions, namely: -

(1) that the said company shall in all respect be subject to and governed by the conditions and the provisions contained in its Memorandum of Association;

(2) that the income and property of the said company whensoever derived, shall be applied solely for the promotion of the objects as set forth in its Memorandum of Association and that no portion thereof shall be paid or transferred, directly or indirectly by way of dividend, bonus, or otherwise by way of profit, to persons who at any time are or have been members of the said company or to any of them or to any person claiming through any one or more of them;

(3) that no remuneration or other benefit in money or money's worth shall be given by the company to any of its members, whether officers or servants of the company or not, except payment of out-of pocket expenses, reasonable and proper interest on money lent, or reasonable and proper rent on premises let to the company;

(4) that no member shall be appointed to any office under the company which is remunerated by the salary, fees, or in any other manner, not excepted by clause (3);

(5) that nothing in this clause shall prevent the payment by the company in good faith of reasonable and proper remuneration to any of its officers or servants (not being members) or to any other person (not being a member), in return for any services actually rendered to the company;

(6) that nothing in clauses (3), (4) and (5) shall prevent the payment by the company in good faith with the previous approval of Central Government, of reasonable and proper remuneration to any of its members in return for any services (not being services of a kind which are required to be rendered by a member), actually rendered to the company;

(7) that no alteration shall be made to the Memorandum of Association or to the articles of Association of the company, which are for the time being in force unless the alteration have been submitted to and approved by the Central Government; and

(8) that the license and registration of the said company pursuant hereto shall cease to have any force or effect on violation of any of the aforesaid condition or any of the conditions and provisions contained in its Memorandum of Association and thereupon this license shall be revoked in accordance with the provisions of the said section 25 of the Companies Act, 1956.

Dated this Twelfth day of March Two Thousand Thirteen.

  
N KRISHNAMURTHY  
कम्पनी रजिस्ट्रार / Registrar of Companies  
कम्पनी रजिस्ट्रार, आंध्र प्रदेश  
Registrar of Companies, Andhra Pradesh



**THE COMPANIES ACT, 1956**  
**MEMORANDUM OF ASSOCIATION**  
**OF**

**Mahindra Educational Institutions**

(Private Company limited by shares and not-for-Profit UNDER Section 25)

The name of the Company is **Mahindra Educational Institutions** (hereinafter referred to as **MEI**).

II. The registered office of the Company will **be situated in the State of Andhra Pradesh**.

III. The Objects for which the Company is **established are**:

**A. THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:**

1. To establish institutions of higher learning such as setting up institutions, universities, colleges, academics, and research institutes encouraging education and research work in different disciplines, to promote innovation and technology development, to collaborate and/or affiliate with other universities in India and abroad for the cause of promoting quality higher education within India.

2. To collaborate and cooperate with educational or other institutions by exchange of teachers and scholars and generally in such manners to promote the cause of education in India.

3. To undertake, collaborate or affiliate with any institutions, trusts, or any other bodies for establishment and running of educational institutions in different disciplines to provide education and research, award degrees, institute awards and fellowships, provide scholarships for education, organize conferences and seminars, provide vocational education and any other activity related to promotion of higher education in India.

Notwithstanding anything contained in any part of this document the main, incidental, ancillary and other objects shall be pursued by the Company solely for educational purposes in India and not for profit.

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

1. To communicate, associate, tie-up, collaborate, or work in close liaison with any university, institution, government, its constituents and affiliates and other associations, bodies corporate, academic and research associations, societies, relating to education, training, research, publication for promotion of education in India.

2. To publish and print journals, magazines, newsletters, books, papers, periodicals, monographs, pamphlets, leaflets, posters and other literature either on paper or in electronic mode or otherwise, for creation and dissemination of knowledge among students, faculty members, researchers, consultants, government and other organizations or when considered desirable for the promotion of, or carrying out of, any of the objects or catering to various interests.

3. To accept or secure membership of any association or organization having similar objects for networking and promoting techniques of mutuality and mutual assistance in respect of objectives or activities viz., research, establishment, faculty, operating, managing, funding, financial, accounting services or other activities which may promote the principles of mutuality and mutual assistance amongst network members viz., institutions, universities or other organizations in any other manner.

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Amended few clauses vide special resolution passed in EGM held on March 25, 2014



4. To accept or receive from national or international organizations, governments, voluntary organizations, universities, educational institutions, trusts or societies, companies and persons, any bequest, gift, grant, aid, donations, contributions towards corpus or to accumulate and provide a fund or an endowment and to invest the same and apply the income arising there from, or to resort to the capital thereof or to provide financial support to other institutions having similar objects for the purpose of fulfillment of the objects.

5. To establish, construct or take lease of buildings, hostels and residential quarters for the students, faculty and the staff of the institute for imparting education in the fields of Arts, Science, Commerce, Law, education, Pharmacy, Technology, Engineering, Medicine, Management and information technology. and to regulate discipline among the staff and students to make arrangements as may be required.

6. To sell, modify, change, demolish, alter, improve, manage, develop, exchange, extinguish, lease or let, sub-lease, mortgage, hypothecate dispose or turn to account or otherwise deal with all or any of the properties of both movable and immovable.

7. To purchase, lease, take over or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more societies, educational or other institutions, associations or companies, trusts or other organizations, having similar objects.

8. To invest money not immediately required, for the purpose of fulfillment of its objects in accordance with the provisions of the Income Tax Act 1961, in particular the provisions sec 11(5) of the Act.

9. To maintain library of books, magazines, journals, periodicals, publications and other literature either on paper or in electronic mode or otherwise so as to disseminate educational, professional, scientific, technical, economic and commercial knowledge amongst students, faculties and others for advancing education;

10. To provide information regarding employment opportunities for the benefit of individuals and organizations and to establish vocational and employment guidance centers;

11. To organize an audit and quality improvement system in respect of the quality, description, the code of conduct or other particulars of educational programs, and other connected matters;

12. To license, deal in, develop and in any way turn to account any processes, inventions, discoveries, patents, copyrights, designs, trademarks or written or other material or any student or member of the staff may have been involved and to apply for patents, copyrights and other protections in respect thereof.

13. To hold examinations and make rules and regulations therefore declare results and give awards for the course conducted or in accordance with the statute and regulations of the Universities to which the college/ institution is affiliated.

14. To manage the property of the company in such manner as it may deem fit for advancing the functions of the institute.

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

IV. The objects shall extend to the whole of India.

V. I. The income and property whensoever derived, shall be applied solely for the promotion of its objects as set forth in this Memorandum.

2. No portion of the income or property aforesaid shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise *by way of profit*, to persons, who at any time are, or have been members, or to any one or more of them or to any person claiming through anyone or more of them.



3. Except with the previous approval of the Central Government, no remuneration, or other benefit in money or money's worth shall be given to any of its members, whether officers or servants or not, except payment of out of pocket expenses, reasonable and proper interest on money lent, or reasonable and proper rent on premises let to the Company.

4. Except with the previous approval of the Central Government, no member shall be appointed to any office which is remunerated by salary, fees or in any other manner, not excepted by sub-clause (3)

5. Nothing in this clause shall prevent the payment made in good faith of reasonable remuneration to any of its officers or servants (not being member) or to any other person (not being a member) in return for any services actually rendered to the company.

VI. No alteration shall be made to this Memorandum of Association or to the Articles of Association which are for the time being in force, unless the alteration has been previously submitted to and approved by the Register of Companies, Hyderabad, Andhra Pradesh and such alterations or amendments shall not have the effect of violating the provisions of the Income Tax Act or any statutory modifications thereof for the time being in force.

VII. The liability of the members is limited.

VIII. The Authorised share capital of the Company is Rs.1,00,000/- (Rupees one lakh only) divided into 10,000 Equity Shares of Rs.10 (Rupees Ten ) each.

IX. True accounts shall be kept of all sums of money received and expended by the company and the matters in respect of which such receipts and expenditure take place, and of the property, credits and liabilities of the company and, subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the company for the time being in force, the accounts shall be open for the inspection of the members. Once at least in every year, the accounts of the company shall be examined and the correctness of the balance sheet and the income and expenditure account ascertained by one or more qualified auditor or auditors.

X. If upon winding up or dissolution of the company there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the company, but shall be given or transferred to such other Company, Society, Association or Trust having its objects similar to the objects of this Company which was registered under Sec. 12A of the Income Tax Act 1961, and shall not be repugnant to the provisions of Section 80G of the Income Tax Act, to be determined by the members of the Company at or before the time of dissolution or in default thereof, by the High Court of Judicature that has or may have Jurisdiction in the matter.

XI. We, the several persons whose names, addresses, descriptions and occupations are hereunto subscribed are desirous of being formed into a Company not for profit, in pursuance of the Memorandum of Association and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.


Sl. No	Signatures, Names, Addresses, Description and occupation of subscribers	No. of shares taken	Name, Address, Description, Signature & Occupation of the Witness
1.	Satyam Computer Services Limited	9800	<p>Sd/-</p> <p>Ms. Savita Jyoti D/o Dr. Vasudeorao Jatkar Add: E-86, Sainikpuri Secunderabad-500094</p> <p>Occupation: Company Secretary in Practice</p>
2.	Vineet Nayyar	100	
3.	C.P. Gurnani	100	
Total number of shares taken		10,000	

Place: Hyderabad

Date:.. 04/03/2013



**THE COMPANIES ACT, 1956**  
**ARTICLES OF ASSOCIATION**  
**OF**

**MAHINDRA EDUCATIONAL INSTITUTIONS**

(Private Company limited by shares and not-for-Profit UNDER Section 25)

1. The regulations contained in Table A in Schedule I to the Companies Act, 1956 shall apply to the Company except to the extent they are modified or supplemented as hereunder and unless they are repugnant to the context. In the absence of any provision in these Articles or in Table A the relevant sections of the Act shall apply.

**2. MEANING OF WORDS**

i) In these Articles.

- (a) "Act" shall mean the Companies Act, 1956 as amended from time to time.
- (b) "Company" shall mean Mahindra Educational Institutions.
- (c) "Governing Board" (hereinafter called as 'Board') shall mean the Board constituted in terms of these Articles, to manage the affairs of the Company and shall be the Board of the Directors for the purposes of the Act and a member of the Board shall be Director for the purposes of the Act;
- (d) "Chairman" shall mean the Chairman of the Board for the time being of the Company.
- (e) "Member" shall mean a member or members of the Company for the time being and includes the subscribers to the Memorandum of Association.
- (f) "Register" shall mean Register of members to be kept pursuant to Section 150 of the Companies Act, 1956.
- (g) "The Seal" shall mean the common seal of the Company.
- (h) "Person" includes companies, bodies corporate, firms, trusts, societies and association of persons.
- (i) "The Office" shall mean the Registered Office for the time being of the Company.
- (j) "General Meeting" includes annual and extraordinary general meetings.
- (k) "Financial year" shall mean the period commencing from 1<sup>st</sup> day of April of any year and ending on the 31<sup>st</sup> day of March of the succeeding year.
- (l) Except where the context otherwise requires, the words importing masculine gender shall include the feminine gender and vice versa.
- (m) Except where the context otherwise requires, words importing singular shall include the plural and vice versa.
- (n) "Secretary" shall mean the person duly appointed as Secretary.
- (o) (i) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date on which these Articles become binding on the Company.  
(ii) Any exemptions already granted or those to be granted in future, by the central government to Companies licensed under Section 25 of the Act shall be applicable to the Company.

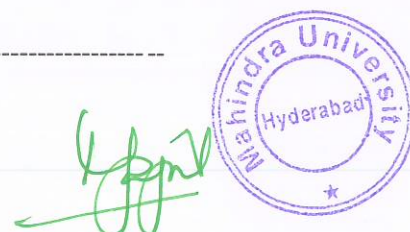
**3. PRIVATE COMPANY WITH SHARE CAPITAL**

3.1 The Company shall be a private company within the meaning of Section 3(i)(iii) of the Act, not for profit, limited by shares and accordingly, the following provisions, shall have effect, namely:

- i. The right of transfer of shares of the Company is restricted
- ii. The number of members of the Company shall not exceed fifty, excluding:
  - i) the Persons who are in the employment of the Company; and
  - ii) the Persons who, having been formerly in the employment of the Company were members of the Company while in that employment and have continued to be members after the employment ceased; and
  - iii. Any invitation to the public to subscribe for any shares or debentures of the Company is hereby prohibited.

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Amended few clauses vide special resolution passed in EGM held on March 25, 2014



iv. Any invitation or acceptance of deposits from persons other than its members, members of the Board or their relatives is hereby prohibited.

#### **4. AUTHORISED SHARE CAPITAL**

4.1 The authorized share capital of the Company is Rs. 1,00,000/- (Rupees one lakh) divided into 10,000 (Ten Thousand) Equity Shares of Rs. 10 (Rupees Ten) each with the rights, privileges and conditions attaching thereto as are provided in the regulations for the time being. The Company has power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for time being, as may be prescribed by the Companies Act, 1956.

4.2 Subject to the provisions of the Act and these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose off the same to such persons on such terms and conditions as it may think fit.

4.3 SHARE CERTIFICATE(S) Every person whose name is entered as a member in the register of members shall be entitled to receive within three months after allotment or within two months of the application for registration of transfer (or within such other periods as the conditions of issue shall provide) one certificate for all his shares, without payment. Several certificates may also be issued each for one or more of his shares, upon payment of one rupee for every certificate after the first.

4.4 ISSUE OF NEW SHARE CERTIFICATE If a share certificate is defaced, lost or destroyed, it may be renewed or a duplicate of a certificate may be issued if such certificate is proved to have been lost destroyed, or having been defaced or mutilated or torn is surrendered to the Company. The provision of Companies (issues of Share Certificates) Rules 1960 shall apply.

#### **4.5 TRANSFER OF SHARES**

4.5.1 The right of members to transfer their shares shall be restricted as follows:

4.5.1.1 A share can be transferred by a member, or other person entitled to transfer, only to a person approved by the Board;

4.5.1.2 Subject as aforesaid, the Board may, in its absolute and uncontrolled discretion refuse to register any transfer of share(s) without assigning any reason;

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

#### **4.6 TRANSMISSION OF SHARES**

**In the event of death of a sitting member, his share holding shall be dealt with in accordance with Regulation 25 of Table A.**

#### **5 ALTERATION OF CAPITAL**

##### **5.1 POWER TO INCREASE CAPITAL**

5.1.1. Subject to the provisions of the Act, the Memorandum and Articles, Board may with the sanction of the Company in a general meeting increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.

5.1.2. Subject as aforesaid, new shares shall be issued upon such terms and conditions as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Board shall



determine; provided that no such shares shall be issued carrying voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attaching to the holders of other shares.

5.1.3. 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 part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, lien, voting, surrender and otherwise.

## **6. APPLICATION FOR MEMBERSHIP**

### **6.1 Form and Procedure of Application**

No person shall be admitted as a member of the Company unless he is approved by the Board. Every person who wishes to become a member of the Company shall deliver to the Company an application for membership in such form and by such means as the Board require of him.

### **6.2 Application Processing and Admission**

The Board may constitute a committee to vet the applications for membership and submit the applications along with its recommendations to the Board for consideration. The Board shall in its absolute discretion decide upon the admission of the members. No reason need be given to any applicant whose application is rejected by the Board. If the application is rejected, the subscription fee paid shall be refunded forthwith.

## **7. RIGHTS OF MEMBERS**

7.1. It shall be lawful for the Board to provide for the admission of such persons as they may think fit to be members of the Company and for the rights, duties and liabilities (if any) of such members and it shall be lawful for the Board to make available the facilities of the Company to members on such terms as they see fit.

7.2. Membership shall cease on death.

7.3 Subject to the provisions of these Articles, members have the right to attend and to vote at annual general meetings and extraordinary general meetings of the Company and as per the provision of the Act to attend functions and activities arranged by the Company. Provided that there shall be no arrears of any dues payable to the Company from the members to be eligible to attend the general meetings of the Company and to vote thereat.

## **8. REPRESENTATION BY INSTITUTIONAL MEMBERS**

Institutional members and members which are bodies corporate are entitled to nominate one of their directors or employees or representatives subject to the provisions of the Act. Any nomination and removal or replacement of nominee(s) must be made in writing to the Board, which may accept or reject the same. The Board need furnish no reason to the member in the event of rejection of a nomination.

## **9. OBLIGATIONS OF MEMBERS**

Members of the Company shall be obliged to provide the secretary of the Company, the current address and contact particulars to which the Company may address communication to the member. Any notice to be given by the Company to any member, shall be in writing and shall be deemed duly served if delivered personally or sent by telex or facsimile transmission or e-mail or by prepaid registered post at the current address or telex or facsimile number or email id (as the case may be) as may be furnished by the members or such manner of communication as determined by the Board subject to the provisions of the Act.



## 10. REGISTER OF MEMBERS

The names, addresses, occupation and other description of the members shall be entered in the Register of members to be maintained and kept at the registered office of the Company in accordance with Sec.150 and 151 of the Act.

## 11. GENERAL MEETINGS

11.1 All general meetings other than the annual general meetings shall be called Extraordinary General meetings.

11.2 The Company shall, in addition to any other meetings, hold a general meeting every year which shall be called as "annual general meeting" at the intervals and in accordance with the provisions, specified below.

11.3 The annual general meeting of the Company, subsequent to the first annual general meeting, shall be held in each year in accordance with the provisions of the Act. Provided that the Company may hold its first annual general meeting within a period of not more than eighteen months from the date of its incorporation; and if such meeting is held within that period, it shall not be necessary for the Company to hold any annual general meeting in the year of its incorporation or in the following year:

Provided further that the Company may hold any annual general meeting after the expiry of the period aforesaid but within such period as may be extended by the Registrar of Companies.

11.4 Notice of general Meetings:

(a) A general meeting may be called by giving notice in writing of not less than 14 days. A general meeting may be called after giving shorter notice than that specified in this Article if consent is accorded thereto by all the members present thereat;

(b) Every notice of a meeting of the Company shall specify the place and the day and the hour of the meeting, and shall contain a statement of business to be transacted thereat.

(c) In case of annual general meetings, the notice calling the meeting shall specify it as an annual general meeting.

(d) Notice of every meeting of the Company shall be given in the manner stated in subsections (1) and (2) of Section 53 of the Act; to every member who is entitled to attend the meetings; to the auditor or auditors for the time being of the Company. The accidental omission to give notice to or the non-receipt of notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

11.5 Extraordinary general Meetings.

(a) The Board may whenever it thinks fit call an Extra-ordinary general meeting.

(b) If at any time there are not within India members of the Board capable of acting who are sufficient in number to form a quorum, any member of the Board or any two members of the Company entitled to attend and vote thereat, may call an extraordinary general meeting in the same manner as nearly as possible, as that in which such a meeting maybe called by the Board.

11.6 Place of the general meetings:

The time, date and place of each annual general meeting shall be decided upon by the Board having regard to the directions, if any, given in this regard by the Company in general meeting. Notwithstanding anything contained herein, a general meeting other than an annual general meeting may be held at the



Registered Office of the Company or at such other place as the Board may determine subject to the provisions of the Act.

#### 11.7 Proceedings at general meeting

(a) Two members personally present shall be a quorum for a general meeting and no business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the business.

(b) No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

(c) The Chairman of the Board shall be entitled to take the chair at every general meeting. If there be no Chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act as Chairman of the meeting and on default of his doing so, the members of the Board present shall elect one of their number to be the Chairman of the meeting and if no member of the Board present be willing to act as the Chairman of or if no member of the Board is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be the Chairman of the meeting.

(d) If within half an hour after the time appointed for the holding of a general meeting, a quorum be not present, the meeting shall, in case of extraordinary general meeting, be dissolved. In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Board may determine.

(e) If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

(f) The Chairman with the consent of members present may adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business left unfinished at the meeting from which the adjournment took place.

(g) No notice of adjourned meeting shall be necessary to be given unless the meeting is adjourned for more than thirty days.

(h) 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.



#### 11.8 Votes of members:

11.8.1 In casting votes at a general meeting, each shareholder present in person shall on a show of hands, have one vote for all the shares of which he is the holder, unless disqualified by any of the provisions of the Memorandum and Articles of Company or the terms of membership; and on poll it will be in accordance with the provisions of Sec. 87 of the Act.

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

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

11.8.4 No member shall be entitled to vote at any general meeting unless all sums presently payable by him towards the shares held to the Company have been paid.

11.8.5 Every member entitled to attend and vote at any general meeting shall be entitled to attend and vote in person or by proxy. A shareholder may appoint any other person as a proxy, such proxy should be lodged with the Company at least 48 hours before the time appointed for the meeting.

11.8.6 At any general meeting a resolution put to vote shall be decided on a show of hands unless a poll is demanded in accordance with the provisions of the Act. A declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority, been passed or lost and an entry to that effect in the books of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

11.8.7 In the case of equality of votes, the Chairman of the meeting shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.

11.8.8 Any member who is a body corporate present by a representative duly authorized by a resolution of the governing body of such body corporate in accordance with the provisions of Section 187 of the Act, may vote as if he was a member of the Company.

11.8.9 Votes may be given either personally or in case of an institutional member by a representative duly authorized as aforesaid.

11.8.10 No objection shall be made to the validity of any vote except at the meeting at which such a vote shall be tendered, and every vote not disallowed at such meeting, shall be deemed valid for all purposes of such meeting whatsoever.

11.8.11 The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting.

#### 11.9 Resolutions:

(a) A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given, the votes cast in favour of the resolution (including the casting vote, if any, of the Chairman) by members who, being entitled to do so, vote in person, exceed the votes, if any, cast against the resolution by members entitled and voting.

(b) A resolution shall be a special resolution when:

(i) the intention to propose the resolution as a special resolution has been duly specified in the notice calling the general meeting or other intimation given to the members of the special resolution,

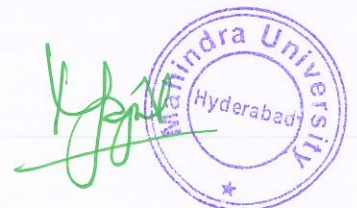
(ii) the notice required under the Act has been duly given of the general meeting; and

(iii) the votes cast in favour of the resolution by members who, being eligible to do so, vote in person, are not less than three times the number of votes, if any, cast against the resolution by members so entitled.

#### 11.10 Special notice:

(a) Where, by any provisions contained in the Act or in these Articles, special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.

(b) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these Articles, not less than seven days before the meeting.



#### 11.11 Minutes of the meetings:

(a) The Company shall cause minutes of all proceedings of general meetings to be entered in books kept for that purpose within 30 days of the conclusion of the meetings.

The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. The Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes:

The books containing the minutes of the proceedings of the general meetings shall be signed by Chairman within 30 days of conclusion of the meeting and the provisions of Sec. 193 of the Companies Act 1956 including any statutory amendments thereto or exemptions there from shall apply. Any such minutes, if purported to be signed by the Chairman of the meeting at which the proceedings took place or in the event of the death or inability of that Chairman by a member of the Board duly authorized by the Board for the purpose, shall be evidence of the proceedings.

(b) The books containing the minutes of the proceedings of general meetings of the Company shall be kept at the Registered Office of the Company.

(c) The provisions of Sec. 193, 194, 195, 196 and 197 of the Companies Act 1956 including statutory amendments thereof or exemptions therefrom shall be applicable.

## 12. THE GOVERNING BOARD

### 12.1 Constitution and Composition of the Governing Board:

The Company shall have a Governing Board (hereinafter called as Board') that shall be responsible for the conduct of the affairs of the Company in accordance with and subject to the provisions of, the Act and the Memorandum and Articles of the Company. Only individuals should be appointed as members of the Board and nobody corporate, company, trust, society, association or firm shall be appointed as a member.

### 12.2 Number of members of the Board:

The Board shall consist of such number of members as the General Meeting shall from time to time determine and until and subject to such determination, shall consist of a number not more than twelve and not less than three.

### 12.3 The following shall be the First Members of the Board

- i) Vineet Nayyar
- ii) C.P. Gurnani

### 12.4 Nominee Directors

Notwithstanding anything to the contrary contained in these articles, Satyam Computer Services Limited (SCSL) shall have a right to appoint two members on the Governing Board of the Company (such Director is herein after referred to as Nominee Director). The Nominee Directors shall not be liable to retire by rotation. SCSL may at any time and from time to time remove the Nominee Director appointed by it and appoint another in his/her place and also fill any vacancy which may occur as a result of the Nominee Director ceasing to hold office for any reason whatsoever.

### 12.5 Qualification and Tenure of Members of Board

12.5.1 The Board Members shall not be required to hold any qualification shares in the Company.

12.5.2 The Board Members need not retire by rotation



12.5.3 The term may be decided by the Board at the time of appointment.

12.5.4 If a Member of the Board vacates office as a Board Member before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board, at a meeting of the Board, but any person so appointed shall retain his office so long only as the vacating Member would have retained the same if the vacancy had not occurred.

### **13. CHAIRMAN**

The Board shall appoint a Board Member as Chairman for such period as it thinks fit with power to remove or dismiss him/her from such office and appoint another Chair in his/her place.

### **14. APPOINTMENT OF MEMBERS OF THE BOARD**

#### **14.1 Nomination Committee**

The Board may constitute a nomination committee to identify suitable persons, who can be considered for vacancies in the Board. The nomination committee identifies members for filling up vacancies in the Board through consultations and invitation, if necessary. The Board shall appoint such persons or others as it deems fit subject to approval of the Company in General Meeting as per the provision of the Act.

#### **14.2 Co-opting a person as a member of the Board**

Notwithstanding the above, the Board shall have the discretion of consulting sponsors at any time and from time to time to appoint, any person as additional member of the Board as identified by the nomination committee or in its own discretion, provided the total number of members including additional members shall not at any time exceed the maximum strength fixed in these Articles. Such persons shall hold office only up to the date of next annual general meeting of the Company but shall be eligible for appointment by the Company as a member of the Board at the meeting, subject to the provisions of the Act.

### **15. POWERS AND FUNCTIONS OF THE BOARD**

#### **15.1 Duties and Responsibilities of the Board**

The Board shall be responsible for the management and administration of the affairs of the Company in accordance with the Memorandum and Articles of Company.

#### **15.2 General Powers:**

Subject to the provisions of the Act, the Memorandum and the Articles, the business and affairs of the Company shall be managed, controlled and directed by the Board who may exercise all such powers and do all such acts and things as the Company is by the Act, its Memorandum and Articles, or otherwise authorized to exercise and do and which are necessary or convenient to carry out the purposes of the Company and are not by these Articles or by the Act directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Act and of the Memorandum of Association and these Articles and to any regulations not being inconsistent with the Memorandum and Articles from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of Board which have been valid if such regulation had not been made.

Provided that the Board shall not implement a significant departure from the ethos of the Company without the prior approval of the Company in general meeting. Without limiting the generality of provisions of paragraph above, the Board may exercise all the powers of the Company to borrow money and raise loans and to charge any property of the Company.




15.3 Without prejudice to the generality of the powers conferred above, but subject to the provisions of the Act, the Memorandum and these Articles, the Board shall have the following powers on behalf of the Company:

15.3.1 To have general supervision and control over the Company;

15.3.2 To convene all meetings of the Company

15.3.3 To prepare and execute schemes, plans and programs for furtherance of objects of the Company.

15.3.4 The Board shall have the discretion of consulting to appoint or remove Registrar, Correspondent, or such other functionaries, staff and employees as may be required for the management of the affairs of the Company or remove them and fix the terms and conditions of appointment, remuneration and allowances and other conditions of service as the Board thinks fit and proper.

15.3.5 To appoint Internal Auditors and fix their remuneration.

15.3.6 To enter into any agreement, contract including collaboration agreements with any institution or with any person or organisation as the case may be for such purpose and on such terms and conditions as may be necessary for furtherance of the objects of the Company;

15.3.7 To enter into day to day financial transaction in all matters for the purpose achieving the objects of the Company.

15.3.8 To receive, to have custody of, and to expend the funds of the Company and to manage the properties of the Company.

15.3.9 To receive property by gift, demise or bequest and otherwise acquire and hold property, real or personal.

15.3.10 To solicit and enlist financial aid and assistance for the attainment of the objects of the Company.

15.3.11 To borrow or raise money or loans or provide guarantees for the fulfillment of the objects of the Company with or without security, from banks, financial/venture capital institutions corporate, non-corporate bodies on such terms and conditions as the Board deems fit

15.3.12 To draw, accept, endorse and deal with bills of exchange, promissory notes and other negotiable instruments as may be required for the fulfillment of the objects of the Company.

15.3.13 To delegate such of its powers or authorities to a member of the Board or such other person to be an attorney of the Company for such period and subject to such conditions as the Board may from time to time think fit.

15.3.14 To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debt due or of any claims or demands by or against the Company and for the above purposes to designate under the authority of a resolution of the Board any officer in whose name the Company may sue or be sued.

15.3.15 To maintain and act as trustees and appoint trustees for provident fund or any fund for the support, relief or maintenance of the employees or class of employees of the Company, whether full time or part time or any other person or class of persons.

15.3.16 To make contribution to provident or any other fund for the benefit of the persons aforesaid and pay premium for the purpose of provision for any such gratuity, fund or allowance.



15.3.17 To establish regions and/or chapters of the Company and employ such persons on such terms and conditions as the Board may think fit.

15.3.18 To approve capital and revenue budgets of the Company

15.3.19 To establish, acquire, maintain and manage educational, vocational and professional institutions such as schools, colleges, universities, study centers, under any name and style, for imparting education including higher education and research centers and training centers.

15.3.20 To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company and to pay preliminary expenses, etc.

15.3.21 To have a Logo for official use and an Official Seal.

15.3.22 To purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as they think fit.

15.3.23 At their discretion, to pay for any property or rights or privileges acquired by or services rendered to the Company.

15.3.24 To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper, all or any part of the buildings and other movable or immovable property of the Company either separately or jointly.

15.3.25 To open accounts with any bank or to close them, to pay money into and draw money from any such account and to authorize such officer or officers of the Company and in such manner as may be determined by or under the authority of a resolution of the Board, to sign all cheques, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company.

15.3.26 To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company in such other manner as they think fit.

15.3.27 To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company, any property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such acts and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees and to prescribe powers and functions and duties of Trustees.

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

15.3.29 To invest and deal with any of the monies and funds of the Company not immediately required for the purposes thereof, from time to time, consistent with the objects and purposes of the Company and the provisions of Income Tax Laws;

15.3.30 To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient to comply with.

15.3.31 To take all other measures as, in the reasonable opinion of the Board, are necessary or desirable for the management of the Company and its constituents/ affiliates.

#### 15.4 Committees

The Board may appoint or constitute committees from time to time to assist in the running of the Company on any specific task or assignment or for disposal of any business of the Company or to advise



The image shows a handwritten signature in green ink and a circular purple stamp. The stamp contains the text "Mahindra University" around the top edge and "Hyderabad" in the center.

on any matter pertaining to the affairs of the Company and delegate to them such powers and functions as it deems fit in furtherance of the objects of the Company, subject to the provisions of the Act, the memorandum and articles. The Chairman of the Board shall be an ex-officio member and Chairman of all committees of the Board.

#### 15.5 Appointment of attorneys

The Board may, by power of attorney, appoint any person to be the attorney of the Company for the purposes, with the powers, authorities and discretions vested in or exercisable by the Board as may be specified by them and for such period and subject to such conditions as they think fit.

#### 15.6 Loans

No indebtedness for borrowed money shall be contracted on behalf of the Company and no evidence of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board. Such authorization may be general or confined to specific instances.

#### 15.7 Deposits

All funds of the Company not otherwise employed shall be deposited from time to time to the credit of the Company in such banks or approved institutions as may be selected by or under the authority of a resolution of the Board and in accordance with these Articles;

#### 15.8 Power to make Rules, Regulations and Bylaws for its Affiliates and Constituents:

Subject to the provisions of the Act, the Memorandum and these Articles and any other law for the time being applicable, the Board may, for effective management of or regulation of internal affairs of the Company, its constituents or other institutions promoted or established by it in pursuance of its objectives, make Rules, Bylaws and regulations. Such Bylaws may be revoked, varied or amended by the Board from time to time, provided such variations, amendments or substitutions are not inconsistent with the Act, the Memorandum and the Articles. All such duly constituted rules, bylaws and regulations shall be binding on all the constituent-members.

#### 15.9 Opening and operation of Bank Accounts

The Company shall open such bank accounts ("Bank Accounts") as the Board deems fit. All bank accounts shall be opened in the name of the Company or its constituents. The Board shall pass necessary resolutions for the operation of the Bank accounts and submit the same to the Bank from time to time.

### 16. PROCEEDINGS OF THE BOARD

16.1 The Board may meet together as a Board for the dispatch of business, adjourn or otherwise regulate their meetings from time to time.

#### 16.2 Chairman of the meetings

All meetings of the Board shall be presided over by the Chairman of the Board, if present, but if at any meeting of the Board, the Chairman be not present at the time appointed for holding the same and within ten minutes thereafter, then and in that case the members present shall choose one of them to be chairman of the meeting.

#### 16.3 Place of meeting

Meetings of the Board shall be held at the registered office of the Company or at such places, either in India or elsewhere, as the Board may determine and may be conducted by tele-conference, video conference or any other electronic means, if so agreed by the majority of members of the Board.


#### 16.4 Notice of meeting

Subject to the provisions of the Act, Notice of the Board meeting shall be given in writing or by electronic media including E mail, Fax, Telegram, Telex to all the Board members at his usual communication address as may be provided by him to the Company from time to time.

#### 16.5 Frequency of meetings

A meeting of the Board shall be held at least once in every three calendar months. The Chairman or a member of the Board may and, the secretary on the requisition of any member of the Board shall, convene a meeting of the Board.

#### 16.6 Minutes of the meetings of the Board and the Committees

16.6.1 The Board shall cause minutes of all proceedings of Board meetings and Committee meetings to be entered in books kept for that purpose within 30 days of the conclusion of the meetings. The minutes shall be written in English.

16.6.2 The minutes shall contain:

- i. a fair and correct summary of the proceedings at the meeting;
  - ii. the names of the Board members present at the meeting of the Board or of any Committee of the Board ;
  - iii. all orders made by the Board and Committee of the Board and all appointments of officers and Committees of Board
  - iv. in the case of each resolution passed at a meeting of the Board or Committee of the Board , the names of the members of the Board if any, dissenting from, or not concurring in, the resolution;
- Presumption of Assent: A member of the Board who is present at a meeting of the Board or a committee thereof of which he or she is a member, at which action or decision on any matter is taken, shall be presumed to have assented to the decision or action taken unless his or her dissent shall be entered in the minutes of the meeting, The Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes:

16.6.3 Copies of such minutes shall be promptly communicated to the members of the Board or, as the case may be, members of the Committees whether or not such member was in attendance during the meeting.

16.6.4 The books containing the minutes of the proceedings of the Board meetings and Committee meetings shall be signed by Chairman within 30 days of conclusion of the meeting and the provisions of Sec. 193 of the Companies Act 1956 including any statutory amendments thereto or exemptions there from shall apply. Any minutes of any meeting of the Board or of any Committee of the Board if purporting to be dated and signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting in accordance with the provisions of Section 193 of the Act, shall for all purposes whatsoever be evidence of the actual passing of the resolution and the actual and regular transaction or occurrence of the proceeding so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

16.6.5 The books containing minutes of the proceedings of the Board and Committee meetings shall be kept at the Registered Office of the Company.

16.6.6 The provisions of Sec. 193, 194, 195, 196 and 197 of the Companies Act 1956 including statutory amendments thereof or exemptions there from shall be applicable.

#### 16.7 Quorum for the Board meetings


16.7.1 The quorum for the Board meeting, until otherwise determined, shall be either two or one fourth of the total strength of the Board whichever is less provided the quorum shall not be less than two members in any case.

16.7.2 The continuing members of the Board 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 members or member may act for the purpose of increasing the number of members of the Board to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

16.7.3 Any one or more members of the Board may participate in a meeting of the Board by means of conference telephone or similar communications equipment or electronic mode, where such facility is provided and such equipment is available, by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting to fulfill the requirements of quorum for the meeting.

16.8 Decisions to be by simple majority

Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairman of the meeting (whether the Chairman appointed by virtue of these Articles or the member of the Board presiding at such meeting) shall have a second or casting vote.

16.9 Resolutions by circulation

Save as otherwise expressly provided in the Act, a resolution in writing signed by all the members of the Board for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board, duly convened and held. All acts done by any meeting of the Board or of a committee thereof, or by any person acting as a member of the Board under the authority of the Board, shall notwithstanding that it maybe afterwards discovered that there was some defect in the appointment of anyone or more of such members or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such member or such person had been duly appointed and was qualified to be a member of the Board.

16.10 Attendance of Non-members of the Board

The Board may invite, at its discretion, any member or other person to attend meetings of the Board on a regular or a case-by-case basis, as decided by the Board. Such persons shall not be entitled to vote at any of these meetings.

## 17. SECRETARY

17.1 The Board may appoint a secretary as per the provisions of the Act, on such terms and conditions as it deems fit.

17.2 It shall be the duty of the secretary to arrange and attend to all the meetings of the Company, to prepare the minutes of all Proceedings, to conduct all the correspondence of the Company, except such as may be delegated to any Board member or members and to generally take over the responsibility for the condition and management of all the properties of the Company, other than those entrusted to the care and custody of any member of the Board.

17.3 The secretary shall perform such duties and responsibilities and exercise such powers and functions as may be conferred on him by the Board.

17.4 The secretary shall issue all the necessary notices of meetings, functions, etc., of the Company.


17.5 The secretary shall be in charge of the preparation of the annual reports of the Company and other reports of the Board and Sub-Committees of the Board under the guidance of the Chairman and other members of the Board placed in charge of the same and shall perform all duties as are incidental to his office.

## 18 BOOKS OF ACCOUNTS AND AUDIT

18.1 The Company shall cause to maintain and keep the Books of accounts at the Registered office of the Company.

18.2 The Board shall cause true accounts to be kept of

- (a) all sums of Money received expended by the Company and the matters in respect of which such receipt and expenditure take place
- (b) all sales and purchases transactions of the Company and
- (c) the assets, credits and liabilities of the Company, and generally of all its financial and other affairs, transactions and engagements and of all other matters, necessary for showing the true financial state and condition of the Company

18.3 The Board shall, in all respects, comply with the provisions of Sections 209 to 222 of the Act or any statutory modification thereof for. the time being in force as may be applicable to the Company.

18.4 (a) Once at least in every year the accounts of the Company shall be audited and the correctness of the income and expenditure account and balance sheet ascertained by one or more auditor or auditors.

(b) Once at least in every calendar year the Board shall prepare and lay before the Company in annual general meeting, income and expenditure account for the period since the preceding account and a balance sheet containing a summary of the property and liabilities of the Company made up to a date not more than 6 months before the meeting or in case where an extension of time has been granted for holding the meeting upto such extended time and every such balance sheet shall as required by Section 217 of the Act, be accompanied by a report (to be attached thereto) of the Board as to the state and condition of the Company, and as to the amount (if any) set aside by them for the reserve fund, general Reserve or Reserve account shown specifically in the balance sheet or to be shown specifically in a subsequent balance sheet.

(c) Every balance sheet and income and expenditure account of the Company shall give a true and fair view of the state of affairs of the Company and shall, subject to the provisions of Section 211 of the Act, be in the Forms set out in Parts I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit.

(d) The balance sheet and the income and expenditure account shall be signed by two members of the Board and by the secretary if any, in the manner prescribed in the Act. When only one of its members is for the time being in India, the balance sheet and the income and expenditure account shall be signed by such member; but in such a case there shall be attached to the balance sheet and the income and expenditure account a statement signed by him explaining the reason for non-compliance with this provision. The balance sheet and the income and expenditure account shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the auditor or their report thereon. The income and expenditure account shall be annexed to the balance sheet and the auditor's report (including the auditor's separate, special or supplementary report, if any) shall be attached thereto.

18.5 A copy of such balance sheet and the income and expenditure account so audited together with a copy of the auditor's report shall, at least 14 days before the meeting at which the same are to be laid before the members of the Company, subject to the provisions of Section 219 of the Act, be sent to every member of the Company.


18.6 After the balance sheet and income and expenditure account have been laid before the Company at a general meeting, three copies thereof, as required by Section 220 of the Act, shall be filed with the Registrar together with the requisite returns in accordance with the requirements of Sections 159 and 161 of the Act.

18.7 The Company at each annual general meeting shall appoint an auditor or auditors being Chartered Accountant or Accountants.

(a) if an appointment or reappointment of an auditor or auditors is not made at an annual general meeting the Company shall, within 7 days thereof, give notice of that fact to the central government who may appoint an auditor of the Company for the current year, and fix the remuneration to be paid to him by the Company for his services.

(b) the Board may fill up any casual vacancy that may occur in the office of auditor by the appointment of a person being a Chartered Accountant who shall hold such office until the conclusion of the next annual general meeting but while any such vacancy continues, the surviving or continuing auditor or auditors (if any) may act, provided that where such vacancy is caused by the resignation of the auditor, the vacancy shall only be filled by the Company in general meeting.

(c) a body corporate, a member of the Board, officer or employee of the Company, or a partner of or person in the employment of such Board member, officer or employee or any person, indebted to the Company for an amount exceeding Rs.1,000/- or who has given any guarantee or provided any security in connection with the indebtedness of any third person to the Company for an amount exceeding Rs. 1,000/- shall not be appointed as auditor of the Company.

(d) if any person after being appointed as auditor becomes disqualified under sub-article

(e) he shall be deemed to have vacated his office.

(f) retiring auditors shall, subject to the provisions of sub-section (2) of Section 224 of the Act, be reappointed.

(g) no person other than a retiring auditor shall be capable of being appointed to the office of auditor at any annual general meeting unless special notice of a resolution for appointment of that person to the office of auditor has been given by a member to the Company not less than 14 days before the meeting in accordance with Section 190 of the Act, and the Company shall send a copy of any such notice to the retiring auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall be complied with. The provisions of this sub-clause shall also apply to a resolution that a retiring auditor shall not be reappointed.

18.8 The first Auditor maybe appointed by the Board in accordance with the provisions of Sec. 224(5) of the Act and the other provisions of these Articles shall apply mutatis mutandis;

18.9 The remuneration of the auditors of the Company shall be fixed by the Company in general meeting except that the remuneration of any auditors appointed to fill any casual vacancy, may be fixed by the Board and where his appointment has been made by the central government pursuant to sub-clause (a) of the last preceding Article it may be fixed by the central government.

18.10 Powers of auditor:

(a) Subject to the provision of the Act every auditor of the Company shall have a right of access at all the times to the books and accounts and vouchers of the Company and shall be entitled to require from the officers of the Company such information and explanations as may be necessary for the performance of the duties of the auditors and the auditors shall make report to the members on the accounts examined by them, and on every balance sheet and income and expenditure account and every other document declared by the Act to be part of or annexed to the balance sheet or income and expenditure account, which are laid before the Company in general meeting during their tenure of office, and the report shall state whether, in their opinion and to the best of their information and according to the explanations given



to them, the said accounts give the information required by the Act in the manner so required and give a true and fair view.

(i) in the case of the balance sheet, of the state of the Company's affairs as at the end of its financial year; and

(ii) in the case of the income and expenditure account, of the surplus or deficit for its financial year.

(b) The auditor's report shall also state:

(i) Whether they had obtained all the information and explanations which to the best of their knowledge and belief were necessary for the purpose of their audit;

(ii) whether, in their opinion, proper books of account as required by law have been kept by the Company so far as appears from the examination of those books and proper returns adequate for the purpose of their audit have been received from the branches not visited by them; and

(iii) whether the Company's balance sheet and income and expenditure account dealt with by the report are in agreement with the books of account and returns; and shall contain such other information as required by the Act in the manner so required.

(c) Where any of the matters referred to in items (a) (i), a (ii) and (b) aforesaid is answered in the negative or with a qualification the auditor's report shall state the reason for the same.

(d) The auditor's report shall be attached to the balance sheet and income and expenditure account shall be attached thereto and such report shall be read before the Company in general meeting and shall be open to inspection by any member of the Company.

(e) All notices of, and other communications relating to, any general-meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the auditors of the Company; and the auditors shall be entitled to attend any general meeting and to be heard at any general meeting which they attend on any part of the business which concerns them as auditors.

## 19 DIVIDENDS

The Company shall not distribute its profit among shareholders *by way of dividend* or by any mode, which amounts to distribution of dividend in any form.

## 20 INCOME AND PROPERTY OF THE COMPANY

20.1 The income and property of the Company whenever and however derived shall be applied solely towards the promotion of the objectives of the Company. No portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus, profit or otherwise howsoever, to any member of the Company.

20.2 No remuneration or other benefit in money's worth shall be given by the Company to any one of its members, whether officers or servants of the Company or not, except, payments of out of pocket expenses, reasonable or proper interest on money lent or proper rent on premises let out to the Company.

### 20.3 Reimbursement of Expenses

The Board may direct that payment by way of reimbursement of reasonable expenses be made to any officer or member of the Company for services rendered and/or out-of pocket expenses or reasonable and proper interest on money lent, or rent on premises let to the Company or any other fees or charges incurred on behalf of the Company.

## 21. INDEMNITY AND RESPONSIBILITY

21.1 Subject to the provisions of Section 201 of the Act and unless prohibited by any law for the time being in force, every member of the Board, manager and other officer or servant of the Company shall be





indemnified by the Company against, and it shall be the duty of the Board out of the funds of the Company to pay all costs, losses and expenses which any member of the Board, Manager, officer or servant may incur or become liable to by reason of any contract entered into or in any way in the discharge of his duties including expenses and in particular and so as not to limit the generality of the foregoing provisions, all liabilities incurred by him as such member of the Board, manager, officer or servant in defending any proceeding, whether civil or criminal, in which judgment is given in his favour or he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted by the Court. The Company may, in addition to the above indemnity, also take an employee fidelity insurance policy to secure its interests against any loss or damage to its property or assets by the acts of fraud, theft, forgery or otherwise by its employees, agents, or representatives while discharging their responsibilities;

21.2 Subject to the provisions of Section 201 of the Act and not prohibited by any law, no member of the Board, manager or other officer or servant of the Company shall be liable for the acts, receipts, neglects or defaults of any other member of the Board or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Board, for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested unless he in all events has acted honestly and in good faith and in a manner he believed to be in, or not opposed to, the best interests of the Company.

## **22. ALTERATION IN ARTICLES OF ASSOCIATION**

The Company may, subject to the provisions of the Act, the Memorandum and Articles of Association with the prior approval of Central Government, alter, add to, amend or delete any of the existing provisions of these Articles of the Company or may add a new Article thereto in accordance with the provisions of the Act and such alterations or amendments shall not have the effect of violating the provisions of the Income Tax Act or any statutory modifications thereof for the time being in force.

## **23. SECRECY**

No member shall be entitled to visit or inspect any premises of the Company without the permission of the Board or to require discovery of or any information with respect to any detail of the Company's activities or any matter which is or may be in the nature of a trade secret, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board, it would not be expedient in the interest of the Company to disclose.

## **24. COMMON SEAL**

The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept under safe custody of the secretary or such other person as may be decided by the Board. The seal of the Company shall not be affixed to any instrument except on the authority of the resolution passed at the Board meeting and except in the presence of at least one member of the Board and of the secretary or such other person as the Board may appoint for the purpose and the member of the Board and the secretary or such other person shall sign every instrument to which the seal of the Company is so affixed in their presence.

## **25. DISSOLUTION OF THE COMPANY**

Upon dissolution of the Company, the Board shall take immediate steps to close down the Company and to deal with the property in accordance with the Clause X of the Memorandum. Subject to the foregoing, the Board shall take immediate steps to convert into money all the property of the Company. The proceeds of such conversion shall be applied first in meeting all liabilities of the Company and any balance remaining shall be disposed of by the Board by contribution to any other Company, Association, Institution, Trust, Society or Company having similar objects subject to the clause X of the Memorandum of Association and which was registered under Sec. 12A of the Income Tax Act 1961, and shall not be repugnant to the provisions of Section 80G of the Income Tax Act and approved by the members and other government authorities as may be required and thereafter the Company shall be dissolved subject to the provisions of the Act.



S. No.	Signatures, Names, Addresses, Description and occupation of the subscribers	Name, Address, Description, Signature & Occupation of the Witness
1.	Satyam computer Services Limited	<p style="text-align: center;">Sd/-</p>
2.	Vineet Nayyar	<p>Ms. Savita Jyoti D/o Dr. Vasudeorao Jatkar Add: E-86, Sainikpuri Secunderabad-500094</p> <p>Occupation: Company Secretary in Practice</p>
3.	C.P.Gurnani	

Place: Hyderabad  
Date: 04/03/2013

