

**ARTICLES OF ASSOCIATION OF
Rajasthan State Power Finance and Financial Services Corporation Limited**

PRELIMINARY

- 1 In these Articles unless there be something in the subject Interpretation
or context inconsistent therewith :-
- "The Company" means the above named Company.
- "The Act" means the Companies Act, 1956 (Central Act 1 of 1956).
- "Government" means the Government of the State of Rajasthan.
- "Board" means the Board of Directors for the time being of the Company.
- "Directors" means the Directors for the time being of the Company.
- "The Chairman" means the Chairman of the Board of Directors for the time being of the Company.
- "Bye-laws" means the Bye-laws not inconsistent with the provisions of the Act and these articles which may be made by the Board of Directors of the Company, which may for the time being in force.
- "Governor" means the Governor of Rajasthan.
- "The Office" means the Registered Office for the time being of the Company.
- "In writing" or "Written" includes printing, lithography and other modes of representing or reproducing words in a visible form.
- "Month" means a calendar month and "year" means the period from the 1st April of each year to the 31st March of the succeeding Year.
- "Seal" means the Common Seal for the time being of the Company and as regards the transaction of the business of the Company outside India, the Official seal which shall be used in accordance with the provisions of section 50 of the Companies Act, 1956.
- "Person" shall include any Corporation or Company as well as individuals.
2. (i) The regulation contained in Table 'A' in the First Table-A to
Schedule to the Act shall apply to the Company except apply
in so far as they have been specifically excluded by / or
under these articles.

(ii) Unless the context otherwise requires, words or expressions contained in these articles and not defined 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.

3. The regulations for the management of the Company and for the observance of the members thereof and their representatives shall subject as aforesaid and to any exercise of the statutory powers of the company in reference to the repeal or alteration of or addition to its regulations by special resolutions as prescribed or permitted by the Act, be such as are contained in these Articles. These articles Apply

CAPITAL

4. THE AUTHORISED SHARE CAPITAL OF THE COMPANY IS RS. 250,00,00,000/- (RUPEES TWO HUNDRED FIFTY CRORES) ONLY, DIVIDED INTO 25,00,000 (TWENTY FIVE LAC) EQUITY SHARES OF RS. 1,000/- (RUPEES ONE THOUSAND) EACH.
5. The shares shall be under the control of Directors, who may with the approval of the State Government in that behalf and subject to the provisions hereinafter contained, allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors think fit and with full powers to give to any person the call of any shares whether at par or at a premium or (subject to the provisions of the Act) at a discount and for such time and for such consideration as the Directors think fit. Allotment and disposal of shares
6. The Company shall have power to issue preference shares carrying a right to redemption out of the proceeds of issue of shares, or liable to be so redeemed at the option of the Company and the Directors may, with the prior approval of the State Government and subject to the provisions of Section 80 of the Companies Act, exercise such power on such terms and in such manner as may be provided by the Articles. Issue of preference shares
7. In the event of the issue of preference shares by the Dividend on

Company as provided in Article-6 above the holders of preference shares shall be entitled to be paid out of the profits which the Directors shall determine by way of dividend at the rate of 6% per annum and to a right, on a winding up to be paid all arrears of preferential dividends, whether earned or declared or not, down to the commencement of the winding up, and also to be repaid the amount of Capital paid up, credited as paid up on the preference share held by them respectively in priority to any payment in respect of the equity shares, but shall not be entitled to any other rights in the profits of the Company.

Subject as aforesaid and to the rights of the holders of any other shares entitled by the terms of issue to preferential payment over the equity shares in the event of the winding up of the Company the holders of equity shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such shares, and all surplus assets thereafter shall belong to the equity shares, in proportion to the amount paid up or credited as paid up on such equity shares respectively at the commencement of the winding up.

8. If at any time the capital is divided in to different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may subject to the provisions of the Act and whether or not the Company is wound up be varied :- Variation of rights attached to any shares

(a) With the consent in writing of the holders of not less than three -fourths of the issued shares of that class; or Consent

(b) With the sanction to a special resolution passed at a separate meeting of the holders of those shares and supported by the vote of the holders not being less than three-fourths of those shares. Special resolution

To every such separate meeting the provisions of these regulations relating to general meeting shall mutatis mutandis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question. The Article is not by implication to curtail the power of Separate meetings

modification which the Company would have if the Article were omitted.

9. (a) Subject to the provisions of the Act, any debentures, debenture stock, bonds, or other securities may be issued at a discount premium or otherwise and with special privileges as to redemption, surrender, drawings, appointment of Director and otherwise. Issue of debentures
- (b) It is hereby provided that the convertible debentures issued in favour of an employee of the Company shall not be transferred so long as he is in the employment of the Company.

SHARE CERTIFICATE

10. Every person whose name is entered as member in the register of members shall without payment, be entitled to receive within three months after allotment or registration of transfer a certificate under the seal of the Company, in such form as the Directors shall prescribe or approve, specifying the share or share held by him and the amount paid thereon. Time for issue of share certificate
- Provided that, in respect of share/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 or several joint holders shall be sufficient delivery to all. Joint holders of shares
11. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid up thereon and shall be signed by at least one Director. Particulars on share certificate
12. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, and on such terms, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence, as the Directors think fit. Issue of duplicate share certificate

COMMISSION AND BROKERAGE

13. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for and shares, debentures or Limit on commission and

debenture stock of the Company or procuring of agreeing to procure subscriptions (whether absolutely or conditionally) for any shares debentures or debenture stock of the Company but so that if the commission in respect of shares shall be paid or payable out of capital or out of the profits the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission in case of shares, shall not exceed 5 percent of the price at which shares are issued and in case of debentures 2.5 percent of the price at which the debentures are issued. The commission may be paid or satisfied in cash or in shares, debentures or debentures stock of the Company.

brokerage

CALLS, LIEN AND FORFEITURE OF SHARES

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| 14. | <p>The Directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Directors. A call may be made payable in installments.</p> <p>Provided, however, that the Directors may from time to time at their discretion extend the time fixed for the payment of any call.</p> | <p>Calls on shares</p>

<p>Extension of time.</p> |
| 15. | <p>If the sum payable in respect of any call be not paid on or before the day appointed for payment thereof the holder for the time being shall pay interest on the same at such rate not exceeding 6% per annum as the Directors shall fix, from the day appointed for the payment thereof of the time of actual payment, but the Directors may waive payment of such interest wholly or in part.</p> | <p>Call money in default to bear interest</p> |
| 16. | <p>The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.</p> | <p>Liability of joint holder of shares.</p> |
| 17. | <p>A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed. A call may be revoked or postponed at the discretion of the Directors.</p> | <p>Date of call revocation and postponement</p> |

18. Any sum which by the term 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 purpose of these regulations, be deemed to be call duly made and payable on the date on which by the terms of issue such sum becomes payable. Dues on shares to be deemed call money.
19. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys due upon the share held by him beyond the sums actually called for and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the call then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate (not exceeding without the sanction of the company in general meeting 6% per annum) as the members paying such sum in advance and the Directors agree upon and the Directors may at any time repay the amount so advanced upon giving to such member three months notice in writing. Payment in advance by share holders
20. The company shall have first and paramount lien on every share (not being a fully paid share) for all money (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a lien on all share (other than fully paid shares) standing registered in the name of a single person for all moneys presently payable by him or his estate to the Company, but the Directors may, at any time, declare any share to be wholly or in part exempt for the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends payable thereon. Company's lien on shares and dividends
21. The Company may sell in such manner as the Directors think fit any shares on which the company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor 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 the person entitled by reason of his death or insolvency to the share. Sale of shares on which the Company has a lien

22. The proceeds of the sale be applied on payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the shares at the date of the sale. The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money, not shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to sale. Application of proceeds of such sale and rights of the purchaser.
23. (i) If a member fails to pay any call or installment of a call on the day appointed for payment thereof, the Directors may at any time thereafter during such time as any part of call or installment remains unpaid serve a notice on him requiring payment of so much of the or installment as is unpaid, together with any interest which may have accrued. Notice to defaulting shareholders
- (ii) The notice aforesaid shall: - Contents of such notice
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of notice) on or before which the payment required by the notice is to be made; and,
- (b) 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 will be liable to be forfeited.
- (iii) If the requirement of any notice as aforesaid are nor 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 Directors of that effect. Forfeiture on non-compliance with notice.
- (iv) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit. Disposal of forfeited share
- (v) At any time before a sale or disposal as aforesaid, the Directors may cancel the forfeiture on such terms as they think fit. Cancellation of forfeiture
24. (i) 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 to the Company all moneys which at the date of Liability of forfeiting share holders.

forfeiture were presently payable by him to the Company in respect of the shares.

(ii) The liability of such person shall cease, if any, when the company shall have received payment in full of all such moneys in respect of the shares. Discharge of liability

25. (i) A duly verified declaration in writing that the declarant is a Director, the Manager, and 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. Evidence of forfeiture of share

(ii) The Company may receive the consideration if any, given for the share on any sale or disposal thereof and may execute transfer of the share in favour of the person to whom the share is sold or disposed of. Sale or disposal and transfer of forfeited share.

(iii) The transferee shall thereupon be registered as the holder of the share. Transfer to be registered.

(iv) 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 disposal of the share. Transferee's right and title

26. The provisions of these Articles as to the forfeiture shall apply, in the case of non-payment of any sum which, by the terms of issue of a shares, 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. Provisions regarding forfeiture to apply in cases of any non-payment

TRANSFER AND TRANSMISSION OF SHARES

27. Subject to the provisions of Section 111 of the Act, the right of members to transfer their shares shall be restricted as follows :- Restriction on transfer of shares

(a) A share may be transferred by a member or other person entitled to transfer to a person approved by the State Government.

(c) Subject as aforesaid, the Directors may refuse to register any proposed transfer of shares.

28. If the Directors refuse to register the transfer of any Notice on

- shares they shall, within two months, send to the transferee and the transferor notice of the refusal.
- refusal to transfer shares.
29. Save as herein otherwise provided, the Directors shall be entitled to treat the person whose name appears on the register of members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a Court of Competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any person whether or not it shall have express or implied notice thereof.
- Holder of shares recognised as absolute owner^r.
30. The instrument of transfer of any share in the Company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- Transfer of shares.
31. Shares in the company shall be transferred in the form prescribed by the central Government pursuant to the provisions of Section 108 of the Companies Act, 1956 and after compliance with the said provisions.
- Form of instrument of transfer
32. Nothing contained in Article 27 shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
- Transfer by operation of law.
33. Every instrument or transfer shall be left at the office for registration, accompanied by the certificate of the shares to be transferred and such evidence as the Company may require to prove the title of the transferor, or his right to transfer the shares.
- Instrument of transfer to be left at the Office.
34. All instruments of transfer shall be retained by the Company, but any of transfer instrument of transfer which the Directors may decline to register shall, on demand be returned to the persons depositing the same.
- Retention of instrument
35. A fee as may be decided by the Board, may be charged for each transfer and shall, if required by the Directors be paid before the registration thereof.
- Fee for transfer

36. The transfer books and register of members may be closed for any time or times not exceeding in the whole 45 days in each year but not exceeding 30 days at a time after giving not less than seven days notice in terms of section 145 of the Act. Closure of transfer books
37. Subject to the provisions of section 111 of the Act, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominees, as if he were the transferee named in an ordinary transfer presented for registration. Transmission or nomination to be treated as transfer for registration Purposes.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

38. Subject to the approval of the State Government, the Directors may, with the sanction of the Company in general meeting, increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe. Alteration of Capital
39. Subject to such directions as may be issued by the State Government on this behalf, new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meetings resolving upon the creation thereof shall direct. Issue of new shares.
40. Except so far 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. Rights under new shares.
41. Subject to the approval of the State Government the Company may in general meeting: - Alteration of memorandum
- (a) Consolidate and divide all or any of its shares of larger amount than its existing shares: (a)Consolidation of shares.
 - (b) Subdivide shares or any of them into shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions, of the Act, in that behalf and subject to these Articles provided that the resolution by which any (b)Subdivision of shares.

shares are subdivided may determine that as between the holders of the shares resulting from such subdivision one or more of such shares may be given any preference or advantages or otherwise over the others or any other such shares:

- (c) Cancel shares which at the date of such general meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. Cancellation of shares.
42. Subject to the provisions of section 100 to 104 of the Act the Company may from time to time, with the approval of the State Government, by special resolution reduce its capital by paying off capital or cancelling capital which has been lost or is lost unrepresented by available assets or is superfluous or by reducing the liability on the shares or otherwise as may seem expedient and capital may be paid off upon the footing that it may be called up again or otherwise and the Directors may, subject to the Provisions of the Act, accept surrender of shares. Reduction of Capital
Debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- BORROWING POWERS**
43. Subject to the provisions of section 292 of the Act the Directors may from time to time borrow or secure the payment of any sum or sums of money for the purposes of the Company. Borrowing
44. The Directors may secure the repayment of such money in such manner upon such terms and conditions in all respect as they think fit and in particular, by the issue of bonds, perpetual or redeemable debentures or debenture stock, or any mortgage, charge or other security on the undertaking of the whole or any part of property of the Company (both present and future) including its uncalled capital for the time being. Security and condition of repayment
45. Debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be Securities assignable

issued.

46. Subject to the provisions of section 76 of the Act and to the approval of the State Government any bonds, debentures, debenture stocks or other securities may be issued at a discount, premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Issue of securities.
47. Whenever any uncalled capital of the Company is charged, all persons taking any subsequent charges thereon shall take the same subject to such prior charge and shall not be entitled, by notice to the shareholders or otherwise, to obtain priority over such prior charge. Priority of charge on uncalled capital.
48. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due for the Company the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. Indemnity to Directors
- GENERAL MEETINGS**
49. The annual meetings of the company shall be held in accordance with the provisions of section 166 of the Companies Act. Annual general meetings
50. The Directors may whenever they think fit, and shall when required by the State Government, call an Extraordinary general meeting and Extra ordinary general meeting shall also be called on such requisition or in default, may be called by such requisitionists, as provided by the Act. If at any time there are not within India sufficient Directors capable of acting to form a quorum any Director or any one member of the Company may call an Extraordinary general meeting in the same manner as early as possible as that in which meetings may be called by the Director. Extraordinary general meeting
51. Subject to the provisions relating to special resolution Notice of

hereinafter contained at least seven clear days' notice in writing specifying the place, day and hour of meeting with a statement of the business to be transacted at the meeting, shall be served on every member in the manner hereinafter provided but with the consent in writing of all the members entitled to receive notice of same, any particular meeting may be convened by such shorter notice and in such manner as those members may think fit.

Provided, however, that where any resolution is intended to be passed as a special resolution at any general meeting as required by section 189(2) of the Act not less than twenty-one days' notice of such meeting specifying the intention to propose the resolution as a special resolution shall be served.

Provided further, that if all the members entitled to attend and vote at such meeting so agree, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one days' notice has been given.

52. The accidental omission to give any such notice to or the non-receipt of any such notice by any member shall not invalidate the proceedings at any meeting. Omission or non-receipt of notice.
53. The Business of an annual general meeting shall be to receive and consider the profit and loss the balance sheet and the report of the Directors and of the Auditors, to declare dividends and to transact any other business which under these Articles ought to be transacted at any annual general meeting. All other business transacted at any annual general meeting and all business transacted at an extraordinary general meeting shall be transacted in accordance with section 173 of the Act. Business at general meeting
54. The Chairman of the Board of Directors shall be entitled to chair at every general meeting or if there be no such Chairman, or if at any meeting he / she shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act as Chairman, then members present shall choose one of their members to be Chairman. Chairman at a meeting.

55. If within half an hour after the time appointed for the holding of a general meeting a quorum be not present the meeting if convened on the requisition of shareholders shall be dissolved and in every other case shall stand adjourned to the same day in the next week at the same time and place or such other day time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum be not present, those members present shall be a quorum and may transact the business for which the meeting was called. Want of quorum.
56. The Chairman of a general meeting may, with the consent of the meeting adjourn the same from time to time and from place to place and no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Adjournment.
57. Subject to the provisions of section 180 of the Act any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting without adjournment. No adjournment of Poll in certain cases
58. Every question submitted to a meeting shall be decided in the first instance by a show of hand and in the case of an equality of votes the Chairman shall, both on show of hands and at a poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as member. Decision on votes
59. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with provisions of the Act, and unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the books of the proceeding of the Company shall be conclusive evidence of the fact without proof of proportion of the votes recorded in favour of or against that resolution. Resolutions.

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| 60. | If a poll is duly demanded, it shall be taken in such manner and at such time and place as the Chairman of the meeting directs, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn. | Poll |
| 61. | The demand of a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which poll has been demanded. | Demand of poll not to prevent continuance of other business |
| 62. | The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. | Validity of vote |
| 63. | Any resolution passed by the Directors, notice where of shall be given to the members in the manner in which notices are hereinafter directed to be given, and which shall within one month after it shall have so been passed be ratified and confirmed in writing by members entitled at a poll to three-fifths of the vote shall be as valid and effectual as a resolution of a general meeting but this clause shall not apply to resolution for winding up the Company or to a resolution passed in respect of any matter which by the statute or by these Articles ought to be dealt with by a special resolution. | Ratification by members of resolutions passed by Directors. |

VOTES OF MEMBERS

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| 64. | Upon a show of hands, every member present in person shall have one vote and upon a poll every member present in person or by proxy or by duly authorised representative shall have one vote for every share held by him. Provided that no company shall vote by proxy as long as resolution of its Directors authorising any person to act as its representative at any meeting of the Company passed in accordance with the provisions of the Act is in force. | Voting. |
| 65. | Any member who is Company present by a representative duly authorised by a resolution of the Directors of such | Vote of member |

company in accordance with the provisions of section 187 of the Act may vote on a show of hands as if he was a member of the Company. The production at the meeting of the copy of such resolution duly signed by one Director of such company certified by him as being a true copy of the resolution shall at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment. company.

66. Any person entitled under the Transmission clause (Articles 32 hereof) to a transfer of any shares may vote at a meeting in respect thereof as if he was the registered holder of such shares provided that at least 72 hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to a transfer of such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof. Vote of transferee member
67. Where there are joint registered holders of any share any one of such persons may vote at any meeting, either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy then one of the said persons present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this clause be deemed joint holders thereof. Vote of joint shareholders.
68. 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 poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy. Guardian of member of unsound mind may vote.
69. A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion. A proxy shall not be entitled to speak at a meeting or to vote except on a poll. The instrument appointing a proxy shall be in writing and be signed by the appointer or Vote of proxy.

his attorney duly authorised in writing or if appointer is a body corporate be under its seal or be signed by an officer or an attorney duly authorised by it.

70. The instrument appointing a proxy and the power of attorney or other authority if any under which it is signed or a notarially certified copy thereof shall be deposited at the office of the Company not less than 48 hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution except in the case of adjournment of any meeting first held provisionally to the expiration of such time. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or a notarially certified copy thereof has either been registered in the records of the company at any time not less than 48 hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the company not less than 48 hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company the Company may by notice in writing addressed to the member or the attorney require him to produce the original power of attorney or authority and unless the same is there upon deposited with the Company the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.
71. If any such instrument of appointment be confirmed to the subject of appointing proxy or substitute for voting at meetings of the Company it shall permanently or for such time as the Directors may determine be in the custody of the Company and if embracing other object a copy thereof, examined with the original, shall be delivered to the company to remain in the custody of the Company.
72. An instrument appointing a proxy may be in the following form or in any other form which the Directors shall approve.
- Appointment of proxy.
- Custody of instrument of proxy.
- Form of Proxy

***THE RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION LTD.**

"I..... of..... the district of being a member of the above named Company hereby appoint of. as my proxy to vote for me and on my behalf at the Annual/Extraordinary General Meeting of the Company to be held on the..... day of..... and at any adjournment thereof."

Signed this day of

***altered vide special resolution no. 3 passed in the General Meeting held on 26th November, 2015.**

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| 73. | 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 share in respect of which the proxy is given provided that no intimation in writing of such death insanity revocation or transfer or transmission shall have been received at the office of the Company before the commencement of the meeting or of adjourned meeting at which the proxy is used. | Validity of vote by proxy |
| 74. | No member shall be entitled to be present or to vote on any question either personally or by the proxy or as proxy for another member at any meeting or upon a poll or be reckoned in quorum whilst any call or other sum shall be due and payable to the Company in respect of the shares of such members. | Dues on share disqualifies a member. |
| 75. | No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive. | Objection on validity of votes |

DIRECTORS

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| 76. | Subject to the provisions of section 252 of the Act, the State Government shall from time to time determine in writing the number of Directors of the Company which | Government to determine number of |
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shall not be less than seven and not more than fourteen. Directors

The Directors are not required to hold any qualification shares. The first Directors of the Company are :

1. Shri Govind Sharma, Principal Secretary to GOR, Finance, Jaipur
2. Shri Kunji Lal Meena, CMD, Jaipur Vidyut Vitran Nigam Ltd., Jaipur
3. Shri Khemraj Chaudhary, Commissioner, Commercial Taxes Deptt., Jaipur
4. Shri Hemant Kumar Gera, IG, Registration and Stamps, Rajasthan
5. Shri Suresh Chandra Dinker, Special Secretary to GOR, Finance (Expenditure) Department, Jaipur.
6. Shri Tanmay Kumar, Secretary to GOR, Finance (Revenue) Department, Jaipur
7. Shri Naresh Pal Gangwar, Secretary to GOR, Energy Department, Jaipur
8. Shri Akhil Arora, Secretary to GOR, Finance (Budget) Department, Jaipur

77. (i) Except as provided in Article 82 hereunder, the Directors (including the Chairman) shall be appointed by the State Government and shall be paid such salary and/or allowances as the State Government may from time to time determine subject to the provisions of section 314 of the Act. Appointment and remuneration of Directors

(ii) At every annual general meeting of the Company one-third of the number of Directors appointed by the State Government, other than those appointed to any office under Article 94 hereof shall retire from office. If the number of such Directors is only one, he shall not retire. If the number of such Directors is an odd number, the majority of them shall remain and only the minority will retire from office. For example if there are five Directors of that category, three will remain in office and two will retire. The retirement will be according to seniority, the senior most retiring first to be followed by others who are next to the senior, provided however that if there are Directors who have the same seniority, the question as to who among them will retire will be decided by lots. The Director appointed under Article 94 shall retire on his ceasing to hold the office thereof. A retiring Directors Shall be eligible for reappointment. Retirement of Directors

(iii) The State Government shall have the power to remove any Director appointed by him from office at any time in his absolute discretion. Removal of Directors.

(iv) The vacancy in the office of a Director appointed by the State Government, cause by retirement, removal, Filling up of vacancies

resignation, death or otherwise, may be filled by the State Government by fresh appointment.

(v) The Board of Directors, with prior approval of the State Government, may appoint technical experts as additional Directors, Casual vacancies in the office of any Director appointed by the Board may be filled up by the Board after like approval of the State Government.

78. Subject to the provisions of the Act and the directives or instructions, if any the State Government may issue from time to time as contained in Article 138, the business of the Company shall be managed by the Directors who may pay all expenses incurred in getting up and registering the Company and who may exercise all such powers and do all such acts and things as the Company is authorised to exercise and do provided that the Directors shall not exercise and do any act or thing which is directed or required, whether by the Companies Act, 1956 or any other Act or by the Memorandum or Articles of the Company to be exercised or done by the Company in general meeting.

Directors to manage the Company

Provided further that in exercising any such power or doing any such act or thing, the Directors shall be subject to the provisions contained in that behalf in the Companies Act or any other Act, or in the Memorandum or Articles of the Company or in any regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation has not been made.

Exercise of power to be subject to Act, Articles and other Rules.

79. In place of a Director who is out of India or is about to go out of India or who expects to be absent for not less than three months from the State in which meetings of the Directors are ordinarily held the Board may subject to the approval of the State Government appoint any person to be an Alternate Directors during his absence out of India or his absence of not less than three months from the State in which the meetings of the Directors are ordinarily held and such appointment shall have effect and such appointee whilst he holds office as an Alternate Director shall be entitled to notice of meeting of the Directors and to attend and to vote thereat accordingly, and he shall ipso facto vacate office if and

Alternate Director

when the original Director returns to India or vacates office as a Director.

80. The office of the Directors shall be vacated if:
- (a) He is found to be of unsound mind by a court of competent jurisdiction;
 - (b) he applies to be adjudicated as an insolvent;
 - (c) he is adjudged as an insolvent;
 - (d) he is convicted by any court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months.
 - (e) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for continuous period of three months whichever is longer, without obtaining leave of absence from the Chairman;
 - (f) he fails to disclose the nature of his concern or interest in any contract or arrangement or proposed contract or arrangements entered into or to be entered into by or on behalf of the Company as required under section 299 of the Act.
 - (g) he is removed in pursuance of section 284 of the Act;
 - (h) he becomes disqualified by an order of the court under section 203 of the Act;
 - (i) he is concerned or participates in the profits of any contract with the Company;
 - (j) he fails to pay any call in respect of shares of the Company held by him whether alone or jointly with others within six months from the last date fixed for the payment of the call;
- Office of the Director to be vacated.
- Provided, however, that no Director shall vacate his office by reason of his becoming a member of any company which has entered into contract with or done any work for the company which has entered into contract with or done any work for the company of which he is Director but a Director shall not vote in respect of any such contract or work, and if he does so vote, his vote shall not be counted.
- Interested Director not to vote
81. The disqualifications referred to in sub-clause (c), (d) and (g) of Article 80 above shall not take effect.
- Postponement of disqualification

- (a) for thirty days from the date of adjudication, sentence or order;
- (b) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order, until the expiry of seven days from the date on which such appeal or petition is disposed of; or
- (c) where within the seven days aforesaid any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.

- 82. A Director of this Company may be or become a Director of company promoted by this Company or in which is may be interested as a vendor member or otherwise. Directors may become Directors of other companies also.
- 83. The Directors may meet for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, provided that the Directors shall hold a meeting at least once in every three calendar months. A Director may and the Secretary on the requisition of any Director shall at any time convene a meeting of the Directors, unless otherwise expressly provided in the Act. Question arising at any meeting shall be decided by a majority of votes, the Chairman shall have a second or casting vote. Meeting of Directors
- 84. The quorum necessary for the transaction of the business of the Directors shall be one-third of the total strength or two Directors, whichever is higher, as provided in Section 287 of the Act, provided that such quorum shall not be deemed to be complete unless at least one officer of the Government of Rajasthan, including an officer on deputation, who is for the time being Director is present. Quorum
- 85. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors the continuing Directors may act for the purpose of Continuing Directors

summoning a general meeting of the Company, but for no other purpose.

86. A meeting of the Directors for the time being at which a quorum is present shall be competent of exercise all or any of the authorities, power and discretion by or under the Articles of the company for the time being vested in or exercisable by Directors generally.
- Meeting of the Directors competent to exercise all powers conferred Resolutions of Directors of Committee of Directors.
- Save as otherwise expressly provided in the Act, a resolution in writing signed by all the Directors or by the members of a Committee of Directors or by a majority of such of them as are entitled to vote on the resolution shall be as valid as if it had been passed at a meeting of the Directors or the Committee of Directors duly called and constituted provided that such resolution shall be signed by at least two officers of the Government of Rajasthan, including officers on deputation, who for the time being are Directors.
87. If no Chairman is appointed by the State Government, or if at any meeting the Chairman is not present within 5 minutes after the time for holding the same, the Directors present may choose one of the members to be Chairman of the meeting.
- Chairman at meeting of the Directors
88. The Directors may, subject to the provisions of section 292 and 297 of the Act, delegate any of the powers to a committee consisting of such member or members of their body as they think fit, and may from time to time revoke such delegation. Any Committee so formed shall, in the exercise of powers so delegated conform to any regulations that may be imposed on it by the Directors. The proceedings of such a Committee shall be placed before the Board of Directors at its meeting.
- Delegation of powers of the Directors
89. A committee may elect a Chairman of its meeting; if no such Chairman is elected or if at any meeting the Chairman is not present within 10 minutes after the time appointed for holding the same, the members present may choose one of the members to be Chairman of the meeting.
- Chairman at a meeting of a committee.

90. A committee may meet and adjourn as it may think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and in case of an equality of votes, the Chairman shall have a second or casting vote. Meeting of committee
91. All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director, provided that nothing in this article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated. Acts done at meeting of Directors or committee not vitiated
92. (i) The Directors will reserve for the decision of the State Government any proposal for the formation of companies as subsidiary to the Corporation. Formation of subsidiary companies and other important matters requiring State Government's decision
(ii) The chairman shall reserve for the decision of the State Government any matter coming before the Board of Director for consideration which in the opinion of the Chairman raises an important issue fit to be so reserved and such matter shall be decided in accordance with the State Government's decision.
93. Without prejudice to the general powers conferred by the Articles hereinbefore and hereafter it is hereby expressly declared that the Directors shall subject to the provisions of these Articles and of the Companies Act, have the following powers that is to say powers: Powers of Directors
(i) To pay costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
(ii) To purchase or otherwise acquire for the Company any property, rights or privileges, which the Company is authorised to acquire, at such price and generally on such terms and conditions as they think fit.
(iii) At their discretion, to pay for any property, rights, or privileges acquired by or service rendered on the

Company either wholly or partially in cash or in shares, bonds, debentures, or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the company and its uncalled capital or not so charged.

(iv) To secure fulfillment of any contract or agreements entered into by the Company by mortgage or charge of all or any of the property of the company and its uncalled capital for the time being or in such other manner as they may think fit.

(v) To appoint, and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and servants for permanent, temporary or special services, as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments, and to require security in such instances and for such amounts as they think fit.

(vi) To accept from any member on such terms and conditions as shall be agreed, surrender of his shares or stock or any part thereof.

(vii) 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 any other purposes, and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trust or trustees.

(viii) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company, or its officer or otherwise concerning the affairs of the Company, and also the compound and allow time for payment of satisfaction of any debt due and of any claims or demands by or against the Company.

(ix) To refer any claims or demands by or against the Company to arbitration and perform the award.

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

(xi) To determine who shall be entitled to sign on the

Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and other documents.

(xii) From time to time provide for the management of the affairs to the Company abroad in such manner as they deem fit, and in particular to appoint any person to be the attorney or agent of the Company with such powers including power to sub-delegate and upon such terms as may be thought fit.

(xiii) To invest and deal with any of the moneys of the Company not immediately required for the purposes of the Company upon such securities not being shares in this Company in such manner as they may think fit, and from time to time vary or realise such investment.

(xiv) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property, present and future, such covenants and provisions as shall be agreed upon or otherwise indemnify by paying him from the funds of the Company or by sale to him of the assets of the Company.

(xv) From time to time to make, vary and repeal bye laws or the regulations of the business of the Company, its officers and servants.

(xvi) To enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purpose of the Company.

94. The State Government may from time to time appoint one of the Directors as Chairman of the Board of Directors, and one or more Directors as Managing Directors, or Resident Directors, for such terms and on such remuneration, either by way of salary or otherwise, subject to the provisions of section 314 of the Act, as he may think fit. The State Government may time to time remove or dismiss any such Director from his office and appoint another in his place. Any such Director shall, after he ceases to hold the office of Director from any cause, ipso facto and immediately cease to be the Managing Director or Resident Director.

Chairman, Managing Director, or Resident Director, as the case may be. Whenever the Chairman, Managing Director, or Resident Director vacates his office, the State Government may appoint another Director to fill the vacant office.

95. The Directors may appoint a Financial Adviser and Chief Accounts Officer and other officer of the Company for such terms and at such remuneration as they may think fit and may from time to time remove them from office and appoint others in their place. The Directors may from time to time entrust to and confer upon a Financial Advisor and Chief Accounts Officer for the time being or any other officer, such of the powers of the Directors as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes on such terms and conditions and with such restriction as they may think expedient, and from time to time revoke, withdraw, alter or vary all or any of such powers. Appointment and powers of officers.
96. The Directors may from time to time entrust and confer upon the Chairman, the Managing Director, Executive Director, Resident Director or Additional Director for the time being such of their powers exercisable under these Articles as they may think fit. Conferment of powers on CMD etc.
97. The Directors shall in accordance with the provisions of section 193 of the Act cause minutes to be entered in books provided for the purpose:- Minutes
- (a) of all appointment of officers made at the meeting of the Directors and of any Committee of Directors;
 - (b) of all names of the Directors present at each meeting of the Directors and of any Committee of Directors;
 - (c) of all resolutions and proceedings at all meetings of the Company and of the Directors and of any Committee of Directors;
 - (d) in the case of each resolution passed at such meeting the names of the Directors, if any, dissenting from or not consenting in the resolution; and
 - (e) every Director shall sign his name in a book to be kept for that purpose.

98. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Directors, and in the presence of at least one Director or of such other person or persons as the Directors may appoint for the purpose and any such Director or other authorised person or persons as aforesaid shall sign every instrument to which the seal of the Company is so affixed in his presence provided that the official seal of the Company may be used by the person authorised to use it in accordance with the provisions of section 50 in relation to the business and transactions of the Company outside India. Seal of the Company.

DIVIDENDS AND RESERVE FUND

99. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as reserve fund to meet contingencies or for equalising dividend or for special dividends or for improvements to any of the property of the Company, and for such other purposes as the Directors shall with approval of the State Government think conducive to the interests of the Company, and may divide the reserve funds into such special fund as they think fit and employ the reserve funds or any part thereof in the business of the Company and that without being bound to keep the same separate from the other assets. Reserve Fund
100. The Directors may invest in the Reserve Bank of India in such securities as may be approved by the State Government and deal with any of the moneys of the Company upon such investments authorised by the Memorandum of Association of the Company (not being shares in this Company) and in such manner as they think fit, and from time to time vary or realise such investments. Investment of funds
101. The profits of the Company available for payment of dividend subject to any special rights relating thereto, created or authorised to be created by these presents and subject to the provisions of these presents as to reserve fund shall with the approval of the State Government, be divisible among the members in proportion to the amount of capital held by them respectively. Provided Dividend to members.

always that (subject as aforesaid) any capital paid up on a share during the period in respect of which a dividend is declared shall only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment.

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| 102. | Where capital is paid up on any share in advance of calls upon footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits. | Profits on Capital paid in advance |
| 103. | The Company may pay dividends in proportion to the amount up or credited as paid up on each share, where a larger amount paid up or credited as paid up on some shares than on other. | Dividends to be in proportion to Capital paid. |
| 104. | The Company in general meeting may declare the dividend to paid up to the members according to their rights and interest in profits and may fix the time for payment but no dividend shall exceed the amount recommended by the Directors. | Declaration of dividend. |
| 105 | No dividend shall be payable otherwise than out of the profits of the year or any other period or any other undistributed profits of the Company and no dividend shall carry interest as against the company. The declaration of the Director as to the amount of the profits of the Company shall be conclusive. | Dividend only out of profits |
| 106. | The Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies. | Interim Dividends |
| 107. | The Directors may retain any dividends in respect of shares on which the Company has a lien, and may apply the same in or toward satisfaction of the debts, liabilities or engagements in respect of which the lien exists. | Appropriation of dividend on shares' with a lien in favour of the Company. |
| 108. | The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause (Article 32) entitled to become a member or under that clause is entitled to transfer, until | Retention of dividend pending transfer of |

such person shall become a member in respect of such share. shares or shall duly transfer the same.

109. A transfer of share shall not pass the right to any dividend declared thereon after such transfer and before the registration of the transfer. Rights to dividend only after registration of transfer.
110. Any one of the several persons, who are registered as the joint holders of any share, may give effectual receipt for all dividends and payments on account of dividends in respect of such shares. Receipt of joint shareholders.
111. Subject to the provisions of the Act no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or be owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons, and the Directors may deduct from the interest or dividends payable to any member all sums of money so due from him to the Company. Adjustment of dividend towards dues to the company.
112. Any general meeting declaring a dividend may make a call on the members for such amount as the meeting fixes but so that the call on each members shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the members be set off against the calls. Set off of dividend against call.
113. Unless otherwise directed any dividend may be paid by cheque or warrant sent through the post the registered address of the member or person entitled or in the case of joint holders to the registered address of that one whose name stands first on the register in respect of the joint holding and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. Payment of dividend.
114. Notice of the declaration of any dividend whether interim or otherwise, shall be given to the holders of registered shares in the manner hereinafter provided. Notice of dividend

115. All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and all dividends unclaimed for six years after having been declared may be forfeited by the Directors for the benefit of the Company, and if the Directors think fit they may be applied in augmentation of the reserve fund. Provided, however, the Directors may at any time annual such forfeiture and pay such dividends. Unclaimed dividends

ACCOUNTS

116. The Company shall in compliance with section 209 of the Act cause to be kept and maintain proper books of accounts with respect to: - Books of Accounts
- (a) All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place.
- (b) All sales and purchases of goods by the Company.
- (c) The assets and liabilities of the Company.
117. Books of accounts shall be kept at the office of the Company or such place in India as the Directors shall think fit and shall be open to inspection by the Directors during business hours. Place of keeping books of accounts and inspection by Directors.
118. The Directors shall from time to time determine whether and what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members (not being Directors) and no member (not being Directors) shall have any rights of inspection of any account or books or document of the Company except as conferred by law or authorised by the Directors or by the Company in general meeting. Inspection of Books of Accounts by Members
119. The Directors shall at some date not later than 18 months after the incorporation of the Company and subsequently once at least in every financial year lay before the company in Annual General Meeting a balance sheet and statement of profit and loss, in the case of the first account since the incorporation of the Company and in Balance Sheet and statement of profit and loss

any other case since the preceding account made up to a date not earlier than the date of the meeting by more than six months.

120. The Directors shall as per section 217 of the Act make out and attach to every balance sheet a report with respect to the state of the Company's affairs, the amount, if any, which they recommend should be paid by way of dividend and the amount, if any, which they propose to carry to the reserve fund, general reserve or reserve account shown specifically in the balance sheet or to a reserve fund, general reserve or reserve account to be shown specifically in a subsequent balance sheet. The report shall be signed by the chairman of the Directors on behalf of the Directors and when he is not so authorised, shall be signed such number of Directors as are required to sign the balance sheet and the profit and loss account by virtue of sub sections (1) and (2) of section 215 of the Act. Report on the state of affairs of the company to be attached to Balance Sheet
121. The statement of profit and loss shall, subject to the provisions as laid down in section 211 of the Act and the Schedule-VI referred to therein, show arranged under the most convenient heads, the amount of gross income, distinguishing the several sources from which it has been derived and the amount of gross expenditure, distinguishing the expenses of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account, so that just balance of profit and loss may be laid before the meeting and in case where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such items shall be stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year. Contents of statement of profit and loss
122. The Company shall send a copy of such balance sheet and statement of profit and loss together with a copy of the Auditor's report to the registered address of every member of the Company in the manner in which notices are to be given hereunder at least twenty one days before Copies of Balance Sheet and statement of Profit and

the meeting at which it is to be laid before the members of the Company and shall deposit a copy at the office of the Company for inspection of the members of the Company during a period of at least twenty one days before the meeting or as required under section 219 of the Act. Loss to be sent to every member.

123. The Directors shall in all respects comply with the provisions of sections 209 to 211 and 215 to 222 of the Act, or any statutory modification thereof for the time being in force. Directors to comply in all respects with relevant provisions.

AUDIT

124. Once at least in every financial year the accounts of the company shall be examined and the correctness of the profit and loss accounts and balance sheet ascertained by one or more auditors. Accounts to be audited annually.

125. The Auditor / Auditors of the Company shall be appointed or reappointed by the Comptroller and Auditor General of India. Appointment of Auditors

126. The Auditor of the company shall be entitled to receive notice of and to attend any general meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and may make any statement or explanation they desire with respect to the Accounts. Auditors entitled to attend general meeting.

127. (a) The comptroller and Auditor General of India shall have powers: Powers of the comptroller and Auditor General

(i) to direct the manner in which the company's accounts shall be audited by the Auditor/persons as he may authorise in this behalf and for the purpose of such audit, to have access at all reasonable times, to all accounts, account books, vouchers, documents and other papers of the Company and to require information or additional information to be furnished to any person or persons and in such form as the Comptroller and Auditor General may by general or special order, direct;

(ii) to conduct a supplementary or test audit of the Company, accounts such person/persons as he may

authorise in this behalf and for the purpose of such audit, to have access, at all reasonable times, to all accounts, account books, vouchers documents and other papers- of the Company and to require information or additional information to be furnished to any person or persons so authorised and in such form as the Comptroller and Auditor General may, by general or special order, direct.

(b) The Auditor/Auditors aforesaid shall submit a copy of his/their Audit report to the Comptroller and Auditor General who shall have the right to comment upon or supplement the audit report in such manner as he may think fit.

(c) Any such comment upon or supplement to the Audit Report shall be placed before the Annual General Meeting of the Company at the same time and in the same manner as the Audit Report.

NOTICE

128. (a) A notice may be given by the Company to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any within India supplied by him to the Company for the giving of notices to him. Service of notice on members.
- (c) Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.
129. A holder of registered shares, who has no registered place of address within India may, from time to time, notify in writing to the Company an address which shall be deemed his registered place of address within the meaning of the last preceding article. Shareholders to notify his address.
130. If a member has no registered address and has not supplied to the Company an address within India for giving of notice to him, a notice addressed to him and advertised in a newspaper circulating in the neighborhood of the office of the Company shall be deemed to be duly given to him on the day on which the advertisement appears. Notice through newspaper.

131. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register of members in respect of the shares. Notice to joint shareholders.
132. A notice may be given by the company to the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to him by name or by the title of representative of the deceased or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the person claiming to be so entitled or (until such an address has been so supplied) by giving notice in any manner in which the same might have been-given if the death or insolvency had not occurred. Notice in case of deceased of insolvent shareholders.
133. Notice of every general meeting shall be given in such manner as hereinbefore authorised to (a) every member of the Company except those members who having registered address have not supplied to the Company any address for the giving of notice to them, and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who but for his death or insolvency would be entitled to receive notice of the meeting provided the Company has due notice. Persons entitled to notice of general meeting
134. Every person who by operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every notice in respect of such shares which previously to his name and address and title to the shares being notified to and registered by the Company, shall be duly given to the person from whom he derives his title to such shares. Prior notices binding on transferees.
135. The signature to any notice to be given by the Company may be written or printed. Signature on notices,
136. Where a given number of days notice or notices extending over any other period is required to be given, the day of service shall unless it is otherwise provided, be counted in such number of days or other period. Date of Service to be counted.

WINDING UP

137. If the company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up, the excess shall be distributed amongst the members in proportion to the capital paid up, or which ought to have been paid upon the shares held by them respectively. But this clause is to be without prejudice to the right of the holders of shares issued upon special terms and conditions.
- Rights and liabilities of members on the winding up of the company.

GENERAL

138. Notwithstanding anything contained in any of these articles, the State Government may from time to time, issue such directions or instructions as he may consider necessary in regard to the affairs or the conduct of the business of the Company or Directors thereof and in like manner may vary and annul any such direction or instruction. The Directors shall duly comply with and give immediate effect to direction or instruction so issued.
- Directions and instruction of the Governor/ Government
- 139 (i) Subject to the provisions of section 201 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors to pay out of the funds of the Company all costs, losses and expenses (including traveling expenses) which any such Director, Manager officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him or them as such Director, Manager, Officer or servant or in any other way in the discharge of his duties and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority on the property over the claims of the members.
- Protection to Directors and Officers

(ii) Subject as aforesaid, every Director, Manager, Officer or (with the consent of the Director) Auditor of the Company shall be indemnified against any liability incurred by him or them in defending any proceedings whether civil or criminal in relation to any action by the above mentioned officers acting in the discharge of their duties and on behalf of the Company in which judgment is given in his or their favour or in which he or they have been acquitted or in connection with any application under section 633 of the Act in which relief is given to him or them by the Court.

Directors &
Officers to be
indemnified

140. Subject to the provisions of section 201 of the Act no Director, Manager or officer or employee of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors, Manager or Officer or Employee for joining in any receipt or other act of conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency, or tortuous act of any person or Company with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by an error or judgment or oversight on this or their part, or for any other loss or damage or misfortune whatsoever which shall happen in the execution of the duties of his or their office or in relation thereto unless the same happens through his own dishonesty, negligence, default, misfeasance, breach of duty or breach of trust.

Liability of
Directors and
officers.

We, the several persons whose names and addresses are subscribed are desirous of being formed into a company in pursuance of this Articles of Association:

Sl.No.	Name, Address, Description, Occupation and Signature of the Subscriber	Name, Description, Occupation and Signature of witness
	ALL SUBSCRIBERS (1to8) BELOW ARE AS NOMINEE OF H.E. THE GOVERNOR OF RAJASTHAN.	
1	S/d Govind Sharma (IAS) S/o Jugal kishor Sharma D-725, Mayur path, Gandhi nagar, jaipur - 302015 Govt. Service	<p style="text-align: center;">COMMON WITNESS TO ALL SUBSCRIBERS</p> <p style="text-align: center;">Sd/ (SEEMA R. CHOUDHARY) COMPANY SECRETARY D/O RAJENDRA KUMAR CHOUDHARY M.NO. A26833 G-153, UDAI PATH, SHYAM NAGAR, JAIPUR - 302019.</p>
2	S/d Khemraj Chaudhary (IAS) S/o Pyar Chand Chaudhary 67, Padmawati Colony – B, Nirman Nagar, Kings Road, jaipur - 302019 Govt. Service	
3	S/d Hemant Kumar Gera(IAS) S/o Jagdish Lal Gera Address shown in DIN Ashok Niwas, Near Court Chouraha,Shashtri Circle, Udaipur - 313001 Present Address 76/1/9, Todermal Lane, Opp. Collector's Bungalow, Civil Lines, Ajmer. Govt. Service	
4	S/d Suresh Chandra Dinker (IAS) S/o Radhey Shyam Dinker 119, K – 5 C Scheme, Khatipura, jaipur - 302012 Govt. Service	
5	S/d Akhil Arora (IAS) S/o Charanjit Lal Arora 67/42, Heera Path, Mansarovar, jaipur - 302020 Govt. Service	

6	S/d Naresh Pal Gangwar (IAS) S/o Shiv Sahai Gangwar C- 10, Residency road, Jodhpur - 342004 Govt. Service	
7	S/d Tanmay Kumar (IAS) S/o Govind Anandmurti Sharan R- 1/3, Chambal GSS Colony, Hawa Sarak, Jaipur – 302019 Govt. Service	
8	S/d Kunji Lal Meena(IAS) S/o Moti Lal Meena 1/1, Gandhi nagar, jaipur – 302015 Govt. Service	

PLACE: JAIPUR

DATE: 11th Day of December, 2012