

## THE COMPANIES ACT, 2013

(COMPANY LIMITED BY SHARES)

### ARTICLES OF ASSOCIATION OF

SHRI NIWAS LEASING AND FINANCE LIMITED

#### TABLE F NOT TO APPLY

1. The Regulations contained in Table 'F' of the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles.

#### INTERPRETATION CLAUSE

##### Interpretation

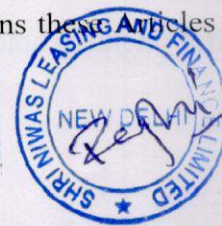
2. a. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Companies Act, 2013 or any statutory modification thereof in force on the date on which the Articles become binding on the Company.

##### Marginal notes/sub-headings

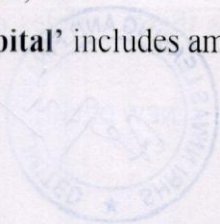
- b. The marginal notes/sub-headings hereto are inserted for convenience and shall not affect the construction hereof.

#### DEFINITIONS

3. In these presents unless thereby something in the subject or context inconsistent therewith:
  - a. '**The Act**' or '**The Companies Act**' means the Companies Act, 2013 and includes where the context so admits any re-enactment or statutory modification thereof for the time being in force.
  - b. '**Annual General Meeting**' means a general meeting of the Members of the Company held in accordance with the provisions of Section 96 of the Companies Act, 2013 and any adjourned meeting thereof.
  - c. '**Articles**' or '**These Articles**' or '**These Presents**' means these Articles of Association of the Company.



- d. **'Auditors'** means and include those persons appointed as 'Auditors' for the time being by the Company.
- e. **'Board of Directors'** means and includes the 'Board of Directors' or the "Council of Management" or the "Governing Board" or the or 'the Board', by whatever name called, vested with the general powers of management and superintendence and having complete jurisdiction over all members of the Board and all matters contained in these Articles, various provisions under the Rules, Byelaws and Regulations and directives/ circulars of the Board, and over the contracts or any other instruments, which are traded on the Board.
- f. **'Body corporate'** has the meaning assigned thereto by Section 2(11) of the Companies Act, 2013, and shall include a Company incorporated in India. The words 'Body Corporate' and 'Company' are used interchangeably.
- g. **'Capital'** means the share capital for the time being raised or authorised to be raised for the purpose of the Company.
- h. **'Chairman'** and **'The Chairman'** means the Chairman of the Board of Directors for the time being of the Company.
- i. **'Company'** or **'The Company'** or **'This Company'** means **Legend Infoways (India) Limited**.
- j. **'Debenture'** includes Debenture Stock.
- k. **'Director'** means the Director for the time being of the Company and member of the Board of Directors of the company.
- l. **'Extraordinary General Meeting'** means a general meeting of the Members of the Company other than Annual General Meeting, duly called and constituted and any adjourned holding thereof.
- m. **'General Meeting'** means a meeting of the Members of the Company.
- n. **'In writing'** or 'Written" includes handwriting, typewriting, printing, lithography, fax, downloading through computers, broadcast through the Trading System, e-mail and/or other modes of representing or reproducing words in visible form.
- o. **'Member'** shall mean the Member of the Company holding share or shares of any class and whose name is entered in the Register of Members of the Company, and shall comprise the subscribers/signatories to the Memorandum of Association and these Articles, and such other persons, as the Board shall admit as members of the Company from time to time.
- p. **'Month'** means an English calendar month.
- q. **'Office'** means the registered office for the time being of the Company.
- r. **'Ordinary Resolution'** shall have the meaning assigned to it by Section 114 of the Companies Act, 2013.
- s. **'Paid-up Capital'** includes amounts credited as paid-up capital of the Company.



- aa. **“Person”** includes any corporation or company, individual, firm, body corporate, joint hindu family, a cooperative society, any Government or No Government entity or any other association of persons.
- ab. **‘Presence’ or ‘Present’** at a Meeting means presence or present personally.
- ac. **‘Relevant Authority’** means the Board of Directors or such other authority as specified by the Board from time to time as relevant for a specified purpose.”
- ad. **‘Register of Members’ or ‘The Register of Members’** means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.
- ae. **‘Registrar’ or ‘The Registrar’** means the Registrar of Companies having jurisdiction over the Company.
- af. **‘Seal’** means the common seal of the Company adopted by the Governing Board for the time being.
- ag. **‘Secretary’** shall mean a Company Secretary as per the Companies Act.
- ah. **‘Securities’** include: Shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities or instruments of a like nature in or of any incorporated company or other body corporate or otherwise including futures, options and other derivatives contracts permitted under Law;
- ai. **‘Government securities’**; Such other instruments as may be declared by the Central Government to be securities; Rights or interest in securities; and Any other instruments that may be incorporated under the definition of securities in the Securities Contracts (Regulation) Act, 1956 or FC(R) A, 1952.
- aj. **‘Special Resolution’** shall have the meaning assigned thereto by Section 114 of the Companies Act, 2013.
- ak. **‘Words’** importing
  - a) The singular shall include the plural and vice versa.
  - b) Masculine gender includes feminine gender or neuter gender, as the case may be.
- al. **‘Year’** means the calendar year and **‘Financial Year’** shall have the meaning assigned thereto by Section 2(41) of the Companies Act, 2013.

The definitions not covered herein above will be taken from these Act, Rules or the Bye Laws of the of the company for the purpose of interpretation or management of the Company, and in case of any discrepancy, the interpretation as may be taken by the Board of the directors shall be final and binding on all associated with the Company.

## **BUSINESS**

4. The Company will carry on the business for which it was incorporated and any other business or businesses or lines of business or activity, which the Company is authorized to carry on under its Memorandum of Association.

## **AUTHORISED CAPITAL**

**5.** The Authorised Share Capital of the Company shall be in accordance with Clause V of the Memorandum of Association of the Company from time to time with the Board having the power to increase or reduce the share capital of the Company and to classify it into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and/or under the Act and consolidate or subdivide these shares and to issue shares of higher or lower denomination.

**6. Power of General Meeting to offer shares to such persons as the Company may Resolve**

The Company in General Meeting may by Special Resolution determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or holder of debentures of the Company or not) as the Company may resolve.

**7. Power to increase capital**

The Company may from time to time, by special resolution, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

**8. Issue of Shares**

The Company may, subject to the provisions of Section 42 and 62 of the Act and Rules framed thereunder, issue shares.

**9. Right of holders of equity shares**

Subject to the rights of the holders of any other share entitled by the terms of the issue to any preferential repayment over the equity shares, in the event of a winding up, the holders of preferential equity shares shall be entitled to be repaid the amount of capital paid-up or credited as paid-up on such shares as also arrears of dividend if any, and all surplus assets thereafter shall belong to the holders of equity shares and in proportion to the amount paid-up or credited as paid-up on such equity shares respectively at the commencement of the winding up.

**10. Issue of redeemable preference shares**

The Company may, subject to the provisions of Section 55 of the Act, issue preference shares which are, or at the option of the Company, liable to be redeemed and may redeem such shares in any manner subject to Section 55 of the Act and may issue shares up to the nominal amount of shares redeemed or to be redeemed as per Section 55 of the Act. Where the Company has issued redeemable preference shares the provisions of Section 55 of the Act shall be complied with. The manner in which such shares shall be redeemed, shall be as provided under these presents unless the terms of issue provide for otherwise.

## **11. Redemption of preference shares**

Whenever any preference shares are issued which are, or at the option of the Company, liable to be redeemed the following provisions shall take effect:

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

No such shares shall be redeemed unless they are fully paid -up.

The premium, if any, payable on redemption must be provided for out of the profits of the Company or out of the Company's share premium account before the shares are redeemed.

Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called 'The Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided under Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

Whenever the Company redeems any redeemable preference shares, the provisions of Section 64 of the Act shall be complied with.

Subject to the provisions of Section 55 of the Act and these Articles, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue or, in the absence of any such terms and conditions, in such manner as the Directors may think fit. Where the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if these shares had never been issued, and accordingly the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 401 of the Act, be deemed to be increased by the issue of shares in pursuance of this clause; provided that, new shares shall not, so far as relate to stamp duty, be deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.

The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company in paying up unissued shares of the Company to be issued to Members of the Company as fully paid bonus shares.

## **12. Variation of rights**

The right attached to any class of shares (unless otherwise provided by the terms of the issue of the shares of that class) may, subject to the provisions of Sections 48 of the Act, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of the Special Resolution passed at a

separate meeting of the holders of the issued shares of that class and the provisions of these Articles relating to General Meeting shall *mutatis mutandis* apply, provided that the necessary quorum shall be two (2) persons at least holding one-tenth of the issued shares of the class.

### **13. Issue of further shares pari-passu**

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of the issue, be varied by the creation of further shares ranking *pari-passu* therewith.

### **14. Commission and brokerage**

The Company may exercise the powers of paying commission and/or brokerage as per the terms and conditions as may be imposed by the Board of Directors or Committee thereof.

### **15. Alteration Of Capital**

#### **Alteration and consolidation, division and cancellation of capital**

The Company may from time to time by a Special Resolution alter the conditions of its Memorandum as follows:

- i. Increase its share capital by such amount as it thinks expedient by issuing new shares;
- ii. Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- iii. Convert all or any of its fully paid-up shares into stock and re-convert that stock into fully paid-up shares of any denomination;
- iv. Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however that in the sub-division, the proportion between the amount paid-up and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived and determine that as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividends, return of capital or otherwise over or as compared with the others; and Cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and reduce the amount of its share capital by the amount of the shares so cancelled.

### **16. Reduction of capital**

The Company may by Special Resolution, after complying with the provisions of the Act, in any manner and with and subject to any incidence authorized and consent required by law, reduce: its share capital; any capital redemption reserve account; or any share premium account.

### **17. Buy Back of its own shares**

The Company may buy back its own shares in accordance with the provisions of the Companies Act, 2013.

## **18. Shares at the disposal of the Director**

Subject to the provisions of Section 62 of the Act, and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting.

## **19. Shares And Shareholders**

### **A. Liability of joint holders of shares**

The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all instalments, calls, interest, expenses and other sums due in respect of such share or shares.

### **B. Registered shareholder to be the owner**

Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof and accordingly the Company shall not, except as ordered by a Court of competent jurisdiction or by the statute required, be bound by or recognize any equitable, contingent, future or partial interest, lien, pledge or charge in any share or (except only as by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

### **C. Issue of shares other than for cash**

The Board may issue and allot shares in the capital of the Company as payment or part payment for any property, goods, machinery, appliances, trademarks, merchandise marks, patents, patent rights, licenses, privileges, processes and secrets or stock-in-trade purchased or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and/or conduct of its business and any shares which may be so allotted shall be deemed to be fully paid-up shares, and if so allotted shall be deemed to be fully paid-up shares. As regards all allotments, from time to time made, the Board shall duly comply with section 39 and 42 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

### **D. Acceptance of shares**

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of the share within the meaning of these Articles; and every person who thus or otherwise accepts any shares

and whose name is on the Register shall for the purpose of these Articles be a Member of the Company.

#### **E. Right to certificates**

Share certificate shall be issued in the market lots and where the share certificates are issued in lots other than market lots, subdivision or consolidation of share certificates into market lots shall be done free of charge or if the directors so approve (upon paying such fees as the directors may from time to time determine) to several certificates. The Company shall, within two (2) months after the allotment and within one (1) month after the application for registration of the transfer of any shares or debentures is complete, unless the conditions of issue thereof otherwise provide or within one month of the receipt of the application for registration of transfer, transmission, sub division, consolidation or renewal of any of the shares, as the case may be deliver the certificate of all the shares and debenture so allotted and transferred.

Every certificate shall specify number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the directors may prescribe or approve' the provisions of clauses (b) and (c) above shall apply *mutatis mutandis* to debentures and debenture stock allotted or transferred. No fee shall be charged for the issue of a new share certificate either for subdivision of the existing share certificates and/or for consolidation of several share certificates in lieu of share certificates on the back of which there is no space for endorsement for transfer or for registration of any probate, letters of administration, succession certificate or for registration of any power of attorney, partnership deed, Memorandum and Articles of the company or other similar documents.

#### **F. One certificate for joint holders**

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

#### **G. Replacement and renewal of certificate**

If a certificate be worn out, defaced or if there is no further space on the back thereof for endorsement or transfer, it shall be replaced, if required, by a new certificate free of charge, provided however that such new certificate shall not be granted except upon delivery of the worn out or defaced or used up certificate for the purpose of cancellation.

If a certificate is lost or destroyed, the Company may upon such evidence and proof of such loss or destruction, on such terms and conditions as to indemnity or otherwise as the Board may require and on payment of a fee of Rupees one or such smaller sum as the Board may determine, issue a new certificate.

Any renewed certificate shall be marked as such. Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Board or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in the behalf. The provisions of this Article shall *mutatis mutandis* apply to debentures of the Company.

#### **H. Splitting and consolidation of share certificate**

Any person (whether the registered holder of the shares or not) being legally in possession of any share certificate for the time being may surrender the share certificate to the Company and apply to the Company for the issue of two or more fresh certificates comprising the same shares bearing the same distinctive numbers comprised in the said certificate and in such separate lots as he may desire in lieu of and in cancellation of certificate so surrendered into one certificate and the Directors may at their discretion in lieu of and in cancellation of certificate so surrendered issue one or more such share certificates as the case may be in the name of the person or persons in whose name the original certificate stood and the new certificate so issued shall be delivered to the person who surrendered the original certificate or to his order. No fee shall be charged for issues of such new certificate.

#### **I. Issue of certificate**

Every share certificate shall be issued under the Common Seal of the Company, if any, and in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014 or any modification thereof for the time being in force.

#### **J. Dematerialization of securities**

The Company may issue the whole or a part of its new securities in dematerialized form and/or convert the whole or a part of its existing issued securities into dematerialized form and shall, in such cases, comply with the provisions of the Depositories Act with respect to issue of securities in dematerialized form as well as transfer of such securities.

### **20. LIEN**

#### **A. Company's lien on shares**

The Company shall have a first and paramount lien upon all shares whether fully paid up or partly paid up shares for enforcing and effectively implementing the direction given by any authority under any law over the Company and without prejudice to the above in respect of shares other than fully paid-up shares registered in the name of any Members, either alone or jointly with any other person, and upon the proceeds of sale thereof, for all debts, liabilities, engagements and obligations whether solely or jointly with any other person, to or with the Company and (Whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any shares shall be created except upon the footing and condition that this Article shall have full effect, and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/ debentures. Unless otherwise agreed, the registration of transfer of shares/ debentures shall operate as a waiver of the company's lien if any, on such shares or debentures and such lien shall extend to all dividends from time to time declared in respect of such shares.

### **B. Enforcing lien by sale**

For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it may think fit but in the case of enforcement of lien for purposes other than enforcement of lien to comply with regulatory directions as mentioned in the first part of Clause A above no sale shall be made until the expiration of fourteen (14) days after a notice in writing stating and demanding payment of such amount, in respect of which the lien exists, has been given to the registered holder of the shares for the time being or to the person entitled to the shares by reason of the death or insolvency.

### **C. Validity of sale on exercise of lien and after forfeiture**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinafter given, the Board may appoint any person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the purchaser shall not be bound to see the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damage only and against the Company exclusively.

### **D. Application of proceeds of sale**

The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys and the balance, if any, shall unconditionally vest with the Company.

## **21. CALLS ON SHARES**

### **Calls**

Subject to the provisions of Section 49 of the Companies Act, the Board may from time to time make such calls as it thinks fit upon the Members of the Company in respect of all moneys unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof, made payable at fixed times. A call may be made payable in instalments.

Each member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board.

#### **A.**

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

The option or right to call of shares shall not be given to any person except with the sanction of the issuer in general meeting.

#### **B. When call deemed to be made**

The Board when making a call by resolution may determine the date on which such call shall be deemed to have been made not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no such date as aforesaid is fixed, the call shall be deemed to have been made on the date on which the resolution of the Board making the call is passed.

**C. Length of notice of call**

Not less than fourteen (14) days' notice of any call shall be given specifying the time and place of payment and the person to whom such call shall be paid, provided that the Board may, by notice in writing to the Members of the Company, extend the time for payment thereof.

**D. Dues payable at fixed time to be deemed calls**

If by the terms of issue of any shares or otherwise any amount is made payable on allotment or at any fixed time or by instalments at fixed times whether on account of nominal value of the shares or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to every such amount or instalment accordingly.

**E. When interest on calls payable**

If sum called in respect of shares is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate fixed by the Board, not exceeding fifteen per cent (15%) per annum, from the day appointed for the payment, but the Board shall be at liberty to waive payment of that interest wholly or in part.

**F. Dues payable at fixed time to be treated as calls**

The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any sum which by the terms of issue of shares becomes payable on allotment or at a fixed time, whether on account of the amount of the shares or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

**G. Payment of calls in advance**

The Board may, if they think fit, and subject to the provision of Section 50 of the Act, receive from any Member willing to advance the same, either in money or money's worth, all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advanced may, (until the same would, but for such advance become presently payable) pay without the sanction of the Company in General Meeting interest at such rate, not exceeding twelve per cent (12%) per annum, as may be agreed upon between the Member paying the sum in advance and the Board, but shall not in respect thereof confer a right to dividend or to participate in profits. The Member making such advance shall not be entitled to any voting rights in respect of such advance, until the same would but for such payment becomes presently payable. The provision of these Articles shall apply mutatis mutandis to calls on the debenture of the Company.

**H. Partial payment not to preclude forfeiture**

Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction there under, nor the receipt by the Company of portion of any money which shall from time to time be due from any

Member in respect of any share either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

## **22. TRANSFER AND TRANSMISSION OF SHARES**

### **A. Instrument of transfer**

Subject to the provisions of Section 56 of the Act, the rules prescribed there under and these Articles, the shares in the Company shall be transferred by an instrument in writing in the prescribed form and duly stamped.

### **B. Transfer**

The instrument of transfer of any shares in the Company shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of the shares until the name of the transferee is entered in the Register of Members of the Company in respect thereof. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company, along with the share certificate or the letter of allotment, as the case may be, and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares. Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.

An application for the registration of the transfer of any share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall in any case of partly paid shares be effected unless the Company gives notice of the application to the transferee and the transferee makes no objection within two weeks from the receipt of notice. For the purpose of sub-clause (c) notice to the transferee shall be deemed to have been duly given if dispatched by prepaid post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time at which it would have been delivered in the ordinary course of post. Nothing in sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law. Nothing in this Article shall prejudice the power of the Board to refuse to register the transfer of any shares to a transferee, whether a member or not, under the provisions of the Act or these Articles.

### **Board's right to refuse transfer**

Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, The Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any

transfer of shares whether fully paid or not and the right of refusal, shall not be affected by circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on the shares. Transfer of shares/ debentures in whatever lot shall not be refused

**C.**

**Further right of Board of Directors to refuse to register**

The Board may also decline to recognize any instrument of transfer unless: the instrument of transfer is accompanied by the certificate of shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

**D.** The instrument of transfer is in respect of only one class of shares.

**E. Endorsement on transfers and issue of certificate**

Every endorsement upon a share in favour of a transferee shall be signed by a person for the time being duly authorized by the Board in that behalf. In case a transferee of a share applies for a new certificate in lieu of an old or existing certificate, he shall be entitled to receive a new certificate upon his delivery of the old or existing certificate, which is desired to be replaced by a new one.

**Transfer fee**

Notwithstanding any other provisions to the contrary contained in these presents, no fee shall be charged for any of the following: For registration of transfer of shares or debentures, or for transmission of shares or debentures; For sub-division and consolidation of share and debenture certificates and letters of allotment, and for splitting, consolidation and renewal into denominations corresponding to the market units of trading;

For sub-division of renounceable Letter of Right For issue of certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised; and

**F.**

For registration of any power of attorney, letters of administration or similar other documents.

**G. Register of Members**

The Company shall keep a book to be called the “Register of Members” and therein shall be entered the particulars of every transfer or transmission of all shares and other particulars of shares required by the Companies Act to be entered in such register.

#### **H. Closure of Register of Members**

The Board may, after giving not less than seven (7) days previous notice by advertisement as required by the Companies Act, close the Register of Members or the register of debenture holders for any periods not exceeding in the aggregate forty-five (45) days in each year but not exceeding thirty (30) days at any one time.

#### **Right to shares on death of a Member**

On the death of a Member, the survivor or survivors where the Member was joint-holder, and his legal representatives where he was sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.

#### **I.**

Nothing in sub-clause (a) shall release the estate of a deceased joint-holder from any liability in respect of any shares, which had been jointly held by him with other persons.

#### **Rights and liabilities of a legal representative**

Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided, elect either: To register himself as holder of the shares; or

#### **A**

To make such transfer of the shares as the deceased or insolvent could have made.

B The Board shall, in either case, have the same rights to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the share before his death or insolvency.

C If the person entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing by him stating that he so elects.

D If the person aforesaid shall elect to transfer the shares; he shall testify his election by executing a transfer of the shares.

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

### **23. DEVOLUTION OF RIGHTS**

#### **A. Devolution on the death of a shareholder**

A person becoming entitled to a share by reason of the death or insolvency of the shareholder shall be entitled to the same dividends and the other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company; Provided that the Board may, at any time, give notice requiring any such person to elect to register himself or to transfer the share and if the notice is not complied within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

**B. Company's right to transfer to an apparent legal owner**

Neither the Company nor the Directors shall incur any liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares. Notwithstanding that the Company or the Directors may have had notice of such equitable right, title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company, the Company or the Directors shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company, but the Company shall nevertheless be at liberty to regard, attend to or give effect thereto if the Board shall think fit.

**C. Nomination facility to shareholders**

In accordance with the provisions of the Companies Act, 2013, the shareholders of the Company shall have the right to nominate persons in whom all shareholders' rights shall vest on the death of the holders / all joint holders of the shares.

**24. FORFEITURE OF SHARES**

**A. If call or instalment not paid notice to be given**

If a Member fails to pay any call or instalment of a call or interest thereon on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or instalment or interest remains unpaid, serve a notice on such Member requiring him to pay the same together with interest at fifteen per cent (15%) per annum or such other rate as the Board may decide and all expenses that may be incurred by the Company by reason of such non-payment.

**B. Form of notice**

The aforesaid notice shall name a further day, not earlier than the expiration of fourteen (14) days from the date of service of the notice, on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the time appointed, the shares in respect of which the same is owing will be liable to be forfeited.

**C. Forfeiture on failure to comply with notice**

If the requirements of any such notice as aforementioned are not complied with, any shares in respect of which the notice has been given may, at any time thereafter before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect and such forfeiture shall include all dividends declared in respect of forfeited shares and not actually paid before forfeiture.

**D. Boards right to disposal of forfeited shares or cancellation**

A forfeited or surrendered share shall be deemed to be the property of the Company and may be sold or otherwise disposed of on such terms and in such manner as the Board may think fit, but at any time before a sale or disposition, the forfeiture may be Cancelled on such terms as the Board may think fit.

**E. Liability after forfeiture**

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of shares together with interest at fifteen per cent (15%) per annum, whether such claim be barred by limitation on the date of the forfeiture or not; but his liability shall cease if and when the Company receives payment in full of all moneys due. The Board may if they shall think fit remit the payment of such interest or any part thereof.

**F. Declaration of forfeiture**

A duly verified declaration in writing, that the declarant is a Director 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, and the declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall thereupon be registered as the holder of the share and 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.

**G. Non-payment of dues payable at fixed time**

The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

**25. SET-OFF OF MONEYS DUE TO SHAREHOLDERS**

Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from

him, either alone or jointly with any other person, to the Company in respect of calls or otherwise.

## **26. CONVERSION OF SHARES INTO STOCK**

### **A. Conversion of shares into stock and re-conversion**

The Company, by an ordinary resolution, may:

Convert any paid-up shares into stock; and

Re-convert any stock into paid-up shares of any denominations.

### **B. Transfer of stock**

The holders of the stock may transfer the stock or any part thereof in the same manner and subject to the same regulations under which the shares from which the stock arose might have been transferred previous to the conversion, or as near thereto as circumstances admit, but the Board may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions or that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

### **C. Rights of stockholders**

The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as conferred under the Act.

### **D. Applicability of regulations to stock holders**

Such of the regulations contained in these presents, other than those relating to share warrants, as are applicable to paid-up shares shall apply to stock and the words 'share' and 'shareholder' in these presents shall include 'stock' and 'stockholder' respectively.

## **27. GENERAL MEETINGS**

### **A. Annual General Meeting**

In addition to any other meetings, Annual General Meeting of the Company shall be held within such intervals as are specified in Section 96(1) of the Companies Act and, subject to the provisions of Section 96(2) of the Companies Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an "Annual General Meeting" and shall be specified as such in the notice of convening the meeting. Any other meeting of the Company shall be an "Extraordinary General Meeting".

### **B. Extraordinary General Meeting**

Extraordinary General Meetings may be held either at the Registered Office of the Company or, subject to the provisions of the Act, at such convenient place as the Board may deem fit.

### **C. Right to summon Extraordinary General Meeting**

The Board may whenever it think fit and shall on the requisition of the Members in accordance with Section 100 of the Companies Act proceed to call an Extraordinary General Meeting. The requisitions may, in default of the Board convening the same,

convene the Extraordinary General Meeting as provided by Section 100 of the Companies Act. Provided that, unless the Board shall refuse in writing to permit the requisitions to hold the said meeting at the Registered Office, it shall be held at the Registered Office.

**D. Extraordinary General Meeting by requisition**

The Company shall comply with the provisions of Section 111 of the Act as to giving notice of resolutions proposed by the Members and circulating statements on the requisition of members.

**E. Notice for General Meeting**

A General Meeting of the Company may be called by giving not less than twenty one (21) clear days' notice in writing, provided that, a General Meeting may be called after giving shorter notice.

Provided that where any Members of the Company are entitled to vote on some resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

**F. Accidental omission to give notice not to invalidate meeting**

Accidental omission to give notice of any meeting to or non-receipt of any such notice by any of the Members shall not invalidate the proceedings of or any resolution passed at such meeting.

**G. Special business and statement**

All business shall be deemed special that is transacted at an Extraordinary General Meeting and also that is transacted at an Annual General Meeting with the exception of declaration of a dividend, the consideration of the accounts, balance sheets and the reports of the Directors and Auditors, the election of the Directors in the place of those retiring by rotation and the appointment of and the fixing of the remuneration of Auditors.

Any Annual General Meeting may transact any item of business whether ordinary or special.

Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein of every Director and the Managing Director and if any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Provided that, where any item of special business as aforesaid to be transacted at a meeting of the Company, the extent of share holding interest in that other company of

every Director and the Managing Director of the Company shall also be set out in the statement if the extent of such share-holding interest is not less than two per cent (2%) of the paid-up share capital of that other company.

## **28. PROCEEDINGS AT GENERAL MEETING**

### **A. Quorum**

A quorum for a General Meeting shall be as per the Companies Act 2013 and Rules framed thereunder and no business shall be transacted at any General Meeting unless the requisite quorum is present at the time when the meeting proceeds to business.

If quorum not present, when meeting to be dissolved and when not to be dissolved If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting if called upon the requisition of Members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and such other time and place as the Board may determine and 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.

### **B. Chairman of General Meeting**

The Chairman, if any, of the Board, shall preside as chairman at every General Meeting of the Company.

### **C. When Chairman absent, choice of another Chairman**

If there is no such Chairman or if at any meeting he is not present within half an hour after the time appointed for holding the meeting or is unwilling to act as Chairman, the Deputy Chairman, if any, of the Board shall preside and failing him, the Members present shall choose another Director as chairman and if no Directors be present or if all the Directors decline to take the chair, then the Members present shall choose one of their Members to be chairman of that meeting.

### **D. Adjournment of meeting**

The chairman, may with the consent of the majority of Members personally present at a meeting at which a quorum is present (and shall if so directed by such majority), adjourn that meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly as may be as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment of the business to be transacted at an adjourned meeting.

### **E. Questions at General Meeting how decided**

At any General Meeting, a resolution put to the vote in 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 the provisions of Section 109 of the Act. Unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority 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 that resolution.

#### **F. Casting vote**

In the case of an equality of votes, the chairman shall, both on a show of hands and on a poll, have a second or casting vote in addition to the vote or votes to which he may be entitled as a Member.

#### **G. Taking of poll**

If poll is duly demanded in accordance with the provisions of Section 109 of the Companies Act, it shall be taken in such manner as the chairman directs and in accordance with the provisions of Sections 106 and 109 of the Companies Act and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. The chairman shall appoint two (2) scrutineers in the manner required by Section 109 of the Companies Act.

#### **H. Poll to be taken without adjournment**

A poll demanded on the election of chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight (48) hours from the time when demand was made or as the chairman may direct.

### **29. VOTES AT MEETINGS**

#### **A. Voting rights**

Every Member of the Company holding any equity shares having voting rights, shall have a right to vote in respect of such share on every resolution placed before the Company. On a show of hands, every such Member present in person shall have one vote. On a poll, his voting right in respect of such shares shall be in proportion to his share of the paid-up equity capital of the Company.

#### **B. Limitations on voting rights**

If the Company has issued any preference share with any special privileges, the holders of preference shares or shares of special class shall have no right to be present or vote in person at any General Meeting by virtue of their holding of preference shares or share of special class unless:

- Any resolution is placed before the Company which directly affects the rights attached to their preference shares or shares of special class; or Dividend on such preference shares or shares of special class or any part of such dividend has remained unpaid in respect of the aggregate period of not less than two (2) years preceding the date of commencement of the meeting.

- The Board may issue shares with differential voting rights in accordance with the relevant provisions of the Companies Act, 2013, and in such cases, the voting rights shall be in accordance with the terms of issue of such shares.

**C. Business to proceed despite poll**

A demand for a poll does not prevent the continuance of meeting or the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the persons who have made the demand.

**D. Vote of joint holders**

In the case of joint holders of shares, the vote of the first named of such joint holders who tender a vote in person shall be accepted to the exclusion of the votes of the other joint holders.

**E. No vote if calls unpaid**

No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

**F. Vote by proxy**

On a poll, votes shall be given in person.

**G. Representation of company or body corporate**

Where a company or body corporate (hereinafter called “member company”) is a Member of the Company, a person, duly appointed by resolution of the member company’s board of directors in accordance with the provisions of Section 113 of the Act to represent such member company at a meeting of the Company or at any meeting of class of members of the Company, shall not by reason of such appointment be deemed to be a proxy. A copy of such resolution duly signed by a director of such member company and certified by him as being a true copy of the resolution, upon lodging with the Company at the Office or production at the meeting, shall be accepted by the Company as sufficient evidence of the validity of his appointment; such a person shall be entitled to exercise the same rights and powers, including the right to vote on behalf of the member company, as if it were an individual Member.

**H. Validity of vote**

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

**I. Chairman sole judge of validity**

The chairman of the meeting shall be the sole judge of the validity of every vote tendered at such meeting and the chairman present at the taking of the poll shall be the sole judge of the validity of every vote tendered at such poll.

#### **J. Casting of vote by Postal Ballot**

In accordance with the relevant provisions of the Companies Act, 2013, and the rules made thereunder, the specified items of business to be decided by postal ballot shall be so decided and the Company shall comply with the applicable provisions.

### **30. BOARD OF DIRECTORS**

#### **A. Number of Directors**

The Board of Directors shall consist of not less than 3(three) Directors and not more than 20 (twenty) Directors. However, in case the number of Directors exceeds 15 (fifteen), the same shall be with the prior approval of shareholders.

#### **B. First Directors**

The First Directors of the Company are:

Mr. Shyam Lal  
Mr. Sanjay Garg

The First Director of the Company shall not retire at the First Annual General Meeting of the Company.

#### **D. Shareholders to appoint Directors**

Subject to the provisions of Section 152 of the Act, Directors other than the Non retiring Directors (whose number shall not exceed one third of the total number of directors) and nominated Directors shall be appointed by the shareholders of the Company in a General Meeting and shall be liable to retire by rotation as hereinafter provided.

#### **E. Share Qualification**

No share qualification shall be required to be held by any Director

#### **F. Additional Director**

The Board shall have power, at any time and from time to time, to appoint any person as a Director, as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles.

Any Director so appointed shall hold office only until the next Annual general Meeting of the Company but shall be eligible to be elected at such meeting.

### **31. CHAIRMAN& VICE CHAIRMAN**

#### **Chairman & Vice Chairman of the Board of Directors**

The Board of Directors may appoint one among them as the Chairman of the Board and one as Vice Chairman of the Board.

The Chairman shall not have executive powers or functions and he shall not be a person having trading interest in the futures trading conducted by the Board.

The Chairman so appointed shall preside at the meetings of the Board.

### **32. Managing Director / Whole Time Director (s)**

The Board may from time to time appoint any one or more Directors to be the Managing Director(s) or Whole Time Director(s) of the Company on such terms and conditions as the Board may think fit and for a fixed term or without any limitation as to the period for which he is to hold such office, and may from time to time (subject to the provisions of any contract between him and the Company) remove or dismiss him from office and appoint another in his place. The Board may similarly appoint one or more Deputy Managing Director(s) of the Company.

The Managing Director shall function as all powers in respect of the day-to-day affairs of the Company shall be vested with him. Besides, the Board may delegate on him such other powers and responsibilities, as it may deem fit, from time to time. The Managing Director shall be empowered to delegate such powers and functions to other officers or committees or Advisory Boards, as he may desire.

### **33. Removal of Directors**

The Company may remove any Director before the expiration of his period of office in accordance with the provisions of Section 169 of the Act and may, subject to the provisions of Sections 161 and 164 of the Act and these Articles appoint a person in his stead.

### **34. Board may fill up casual vacancies**

If any Director appointed by the Company in General Meeting vacates his office as a Director before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board at a meeting; but any person so appointed shall remain in his office so long only as the vacating Director would have remained if no such vacancy had occurred, provided that the said vacancy shall not be filled by appointment thereto of any person who has been removed from the office of Director under these Articles.

### **35. Remuneration of Directors**

Subject to the provisions of the Act, a Managing Director or a Director who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other or otherwise in any other mode not expressly prohibited by the Act.

Subject to the provisions of Section 197 of the Act, a Director, who is neither a Managing Director nor in the whole-time employment of the Company, may be paid remuneration.

The fee payable to a Director (excluding a Managing Director or a whole-time Director) for attending a meeting of the Board or Committee thereof shall be such sum as may be decided by the Board, not exceeding the maximum sum as may be allowed to be paid under the provisions of the Companies Act and rules made thereunder.

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided.

The Directors shall allow and pay to any Director who is not a bona fide resident in the place where meetings of the Directors or of a Committee are ordinarily held and who shall come to such place or who incurs travelling & other expenses for attending a meeting of the Board or a Committee, such sum as the Directors may consider fair compensation for his travelling and other expenses for attending a meeting of the Board or a Committee in addition to his fee for attending such meeting.

**36. Vacation of office of Director**

The office of a Director and any other office held by virtue of such directorship shall become vacant forthwith if at any time the conditions laid down in Section 163 of the Act are fulfilled and/or if a Director including the Non-retiring Directors is suspended, expelled or declared as a defaulter by the Board.

**37. Alternate Director**

The Board may appoint as an Alternate Director for a Director (hereinafter called the Original Director) during the Original Director's absence as per the provisions of the Companies Act 2013.

An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India.

An Alternate Director while holding office as such shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. If the term of office of the Original Director is determined before he returns to the State in which the meetings of the Board are ordinarily held, any provision in the Act or in these Articles for the automatic re-appointment of Retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director

**38. Director may contract with the Company**

Subject to the provisions of Section 188 of the Act, no Director shall be disqualified from his office by holding any office or place of profit under the Company or under any company in which this Company shall be a share holder, or otherwise interested, or which is a shareholder in this Company, or from contracting with the Company either as

vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the company in which any Director shall be in any way interested, be avoided, nor shall any Director be liable to account to the Company for any profit arising from any such office or place of profit or released by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relations thereby established, but it is declared that the nature of his interest shall have been disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on, if his interest then existed or in any other case, at the first meeting of the Directors after the acquisition of his interest.

Subject to the relevant provisions of the Companies Act, 2013, no Director shall as a Director vote in respect of any contract / arrangement in which he is so interested as aforesaid and if he does so vote, his vote shall not be counted. Such prohibition shall not apply to any contract by or on behalf of the Company to give the Directors or any of them any security for advance or by way of indemnity.

A general notice in the prescribed form that a Director is a member of any specified firm or company, and that he is to be regarded as interested in all transactions with that firm or company, shall be sufficient disclosure under this clause as regards such Director and such transactions, and after such general notice it shall not be necessary to give any special notice regarding any particular transaction with that firm or company.

### **39. Rotation and retirement of Directors**

At every Annual Meeting, other than the first Annual General Meeting, one third of such of the Directors, other than Managing Director (s)/ Whole Time Director (s), for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one – third shall retire from office.

The Directors to retire by rotation at every Annual General Meeting shall be those who are liable to retire and who have been longest in office since their last appointment , but as between persons , who became Directors on the same day, those who are to retire shall (unless they otherwise agree among themselves ), be determined by lot.

A Retiring Director shall be eligible for re-election. The Company at the General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing him or another person thereto.

Subject to Section 152 of the Act, if any meeting at which an election of Directors ought to take place, the place of the vacating Director is not filled up and the meeting has not expressly resolved not to fill up the vacancy, the meeting shall stand adjourned till the same day in the next week or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place and if at the adjourned meeting the place of vacating Directors is not filled up and that meeting has also not expressly resolved not to fill up the vacancy, then the vacating Director or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.

#### **40. General Meeting to increase or reduce the number of Directors**

Subject to the provisions contained in these Articles and Sections 149, 151 and 152 -of the Act, the Company in General Meeting may increase or decrease the number of its Directors.

Provided that the number of public / non-executive directors will always constitute one third of the Board.

#### **41. Rights of persons other than retiring Directors to stand for Directorship**

A person not being a retiring Director shall be eligible for appointment to the office of a Director at any General Meeting if he or some other Member intending to propose him as a Director has left at the office of the Company, not less than fourteen (14) days before the meeting, a notice in writing under his hand to signify his candidature for the office of the Director or the intention of such Member to propose him as a candidate for the office, as the case may be; provided that, such person has signed and filed with the Company a consent in writing to act as such Director, if appointed, along with a deposit of such sum and subject to such conditions as may be specified in Section 160 of the Act.

#### **Acts done by the Board valid notwithstanding defective appointment**

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

### **PROCEEDINGS OF THE BOARD OF DIRECTORS**

#### **42. Meeting of the Board**

The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit; provided that a meeting of the Board shall be held at least once in every three (3) calendar months and at least four (4) such meetings shall be held every year. The Directors may adjourn and otherwise regulate their meetings as they think fit. The Board (including any Committee constituted by it) may hold its Meetings in person or audio/video/teleconferencing or in any other manner permitted by law.

The Chairman or Managing Director, may and the Secretary shall on the request of two or more Directors summon a meeting of the Board. Meetings of the Board of the Company shall be held pursuant to a notice of at least seven (7) days or such shorter notice as may be agreed by the directors. The notice of meeting of the Board shall be given in writing to every Director, whether absentee or alternate, at his usual address whether in India or abroad.

Where a notice of meeting is required to be given to a Director who is not in India, the notice shall be given by telex or facsimile (fax) or Email transmission at the telex or fax number or Email address provided by such Director. The service of notice shall be

deemed to have been effected on the first working day following the day on which the telex or fax or Email is sent.

Every notice convening a meeting of the Board shall set out the agenda of the business to be transacted thereat in full and sufficient details. Unless otherwise agreed to by all the Directors for the time being of the Company, no item of business shall be transacted at such meeting, which had not been stated in full and sufficient detail in the said notice convening the meeting.

#### **43. Resolution by circulation**

Save as otherwise expressly provided in the Act, a resolution shall be as valid and effectual as if it had been passed by the Board or a Committee constituted by the Board, as the case may be, duly called and constituted if a draft thereof in writing is circulated with the necessary papers, if any, to all the Directors or to all the Members of the Committee (including absentee Directors / Members), as the case may be, at the usual address whether in or outside India, and has been approved in writing by a majority of such of them as are entitled to vote on the resolution.

#### **44. How questions decided**

Save as otherwise expressly provided in the Act and these Articles, a meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by Directors generally.

All questions arising at any meeting of the Board shall be decided by a majority of votes.

In the case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.

Notwithstanding anything to the contrary herein contained, any and all resolutions on the matters enumerated below shall be passed only at a meeting of the Board by a majority vote:

- Establishing limits of issuance of guarantees in the ordinary course of business;
- Establishing bank accounts and authorized signatories for the same or empowering a Committee of Directors to establish such bank accounts and authorized signatories for the same;
- Issuance of new shares;
- Approval of the company's annual budgets;
- Investment in other companies;
- Increase or reduction of the share capital;
- Recommending the declaration and distribution of cash or stock dividends;
- Merger into or with or acquisition of all part of the business of another juridical person;
- Dissolution or voluntary bankruptcy;
- Significant changes in management or organization, including employment, appointment or removal of the Chief Executive Officer or the Managing Director or Advisors or any

whole-time Director, Secretary or General Manager and all functional heads and determining their powers and duties;

- All matters relating to salary, pension, profit sharing, and any other employee benefits, which results in a variation exceeding twenty per cent (20%) from the current levels;
- Appointment or removal of an external auditor;

#### **45. Quorum**

The quorum for a meeting of the Board shall be one-third of its total strength, (any fraction contained in that one-third being rounded off as one) or three (3) Directors whichever is higher, provided that, where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of Directors who are not interested, present at the meeting, being not less than three (3), shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting; that is, the total strength of the Board after deducting there from the number of Directors, if any, whose places are vacant at that time.

#### **46. Procedure where meeting adjourned for want of quorum**

If a meeting of the Board or a committee of the Board or of any adjournment or adjournments thereof cannot be held for want of quorum, then every such original or adjourned meeting shall stand adjourned from time to time to such day, time and place as the director or directors present at such meeting may fix.

The provisions relating to frequency and time period for holding Board meetings shall not be deemed to have been contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms of that Article could not be held for want of a quorum.

#### **47. Chairman of the meetings**

If there is any vacancy in the office of the Chairman or if at any meeting the Chairman is not present within half an hour after the time appointed for holding the meeting, the Directors may choose one among them to be the chairman of the meeting.

#### **48. Delegation of powers**

The Board may, subject to the provisions of Section 179 of the Act and the other provisions of the Act and these Articles, delegate any of its powers to any committee or relevant authority consisting of such persons, as it thinks fit.

Any committee or relevant authority so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. Each such committee or relevant authority shall exercise such powers and duties and be subject to such regulations, if any, as are set out in their respective behalves by the Bye-laws, Rules and subject thereto any direction, Bye-laws or Regulations that may be framed or made by the Board from time to time in that behalf. The Board may decide the remuneration or fees or any other amount that may be payable to the persons appointed on different committees or relevant authority for attending their meetings and for carrying out any

work and also sanction the necessary expenses incurred for the effective functioning of the Committees or relevant authorities.

## **POWERS OF BOARD OF DIRECTORS**

### **49. General Powers vested in Board**

Without prejudice to the generality of the powers conferred by these Articles and the rules framed there under, the Board is empowered to make Bye-laws, Rules and Regulations from time to time, for any or all matters relating to the conduct of the business of the Company, the business and transactions of the Members of the Company, between Members of the Board as well as between the persons who are not Members of the Company,

### **50. Board's power to amend Bye-laws, Rules and Regulations**

Subject to the provisions of the Act and these presents and the Board shall have the power from time to time, to frame, vary, amend or repeal or add to Bye-laws, Rules and Regulations framed in exercise of any powers conferred on the Board by these Articles and all such Bye-laws, Rules and Regulations shall come into force if the sanction of the Government, if required by the Act and the Rules framed there under, has been obtained immediately on passing the same and otherwise immediately on such sanction being received.

### **51. Specific Powers and Duties of Board of Directors**

Without prejudice to the generality of the powers conferred by these presents, the Board may manage the business of the Company/Board through one or more Managing Directors / Deputy Managing Director, or Chief Executive Officers in such manner as the Board may from time to time determine. It is hereby expressly declared that the Board shall, subject to these presents and to the provisions of the Act have the following powers:

- To refer any claims or demands by or against the /Company to arbitration and / or survey and observe and perform the awards;
- To act on behalf of the Board in all matters relating to bankrupt and insolvent Members of the Board;
- To appoint any person to be the attorney or agent of the Board with such powers and on such terms as may be thought fit;
- To appoint any advocate or attorney to be the standing counsel or specially for any case or matter and to pay such remuneration as it deems fit;
- To examine and investigate the financial conditions, business conduct and dealings of Members of the Board;
- To settle dispute, complaints, claims arising between Board Members inter se as well as between Members of the Board and persons who are not Members of the Board relating to any transaction or contracts made subject to these presents, Bye-laws, Rules and Regulations and practice of the Board including settlement by arbitration in accordance with these presents, Bye-laws, Rules and Regulations in force from time to time;
- To carry on and transact the several kinds of business specified in clause III of the Memorandum of Association of the Company;

- To purchase, take on lease or license or otherwise acquire in India any lands (whether free-hold, leasehold or otherwise) and with or without buildings, structures or machinery (fixed or loose) and any movable property, rights, privileges from any person including a Director of the Company in furtherance of or for carrying out its objects at or for such price or consideration and generally on such terms and conditions and with such title thereto as they may think fit or may believe or be advised to be reasonably satisfactory;
- To purchase or otherwise acquire from any person and to sell or Board any patent or technical know-how or license for the use of any invention and to purchase or otherwise acquire for the Company any other property, formulae, concessions, rights and privileges which the Company is authorized to acquire at such price or consideration and generally on such terms and conditions as it may think fit;
- To undertake on behalf of the Company the payment of all rents or compensation and the performance of all covenants, conditions and agreements contained in or reserved by any lease or license that may be granted by the Company and to purchase or otherwise acquire the freehold title of all or any of the lands of the Company for the time being held under lease or for an estate less than a freehold estate;
- To draw, accept and endorse, discount, negotiate and discharge on behalf of the Company all bills of Board, promissory notes, cheques, drafts, railways receipts, dock warrants, warehouse receipts, delivery orders, government promissory notes, other government instruments, bonds, debentures or debenture stocks of corporations, local bodies, port trusts, improvement trusts or other corporate bodies and to execute transfer deeds for transferring stocks, shares or stock certificates of the government and other local or corporate bodies in connection with any business or any object of the Company;
- To pay for, at its discretion, any property, rights or privileges acquired by or services rendered to 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 amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures or other securities maybe either specifically charged upon all or any of the property of the Company or not so charged;
- To engage and at its discretion remove, change, suspend, dismiss and/or remunerate professionals, employees of every description, banks and financial institutions as may be necessary upon such terms and conditions as it thinks fit;
- To accept from any Member, on such terms and conditions as shall be agreed surrender of his shares or stock or any part thereof of the company and/or the membership of the Board;
- To secure the fulfilment of any contracts or agreements entered into by the Company, by mortgage or charge of all or any of the property of the Company or in such other manner as it may think fit;
- To institute, conduct, defend, compound or abandon any actions, suits, and legal proceedings by or against the Company or its officers or otherwise concerning the affairs

of the Company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings;

- To make and give receipts, releases and other discharges for money payable to the Company, and for the claims and demands of the Company;
- To determine who shall be entitled to sign on the Company's behalf bills of Boards, promissory notes, dividend warrants, cheques and other negotiable instruments, receipts, acceptances, endorsements, releases, contracts, deeds and such other documents;
- To provide for, from time to time, the management of the affairs of the Company abroad in such manner as it may think fit and in particular to appoint any person to be the attorney or agent of the Company either abroad or in India with such powers including power to sub-delegate and upon such terms as may be thought fit;
- To invest and deal with any of the moneys of the Company not immediately required for the purposes thereof upon such securities as it may think fit;
- To execute in the name and on behalf of the Company in favour of any Directors or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as it may think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon;
- To give to any person employed by the Company or to any commodity Board a commission on the profits and/or royalty or profit of any particular business or transaction, or share in the general profits of the Company; and such commission, royalty or share of profits shall be treated as part of the working expenses of the Company;
- To make, vary and repeal Bye-laws, Rules and Regulations for the regulation of the business of the Company/Board, its officers and servants from time to time;
- 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 it may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purposes of the Company;
- To decide and pay salaries, allowances, gratuities, bonus, rewards, presents and gifts to employees or dependants of any deceased employees, to charitable institutions or purposes to subscribe for provident funds and other associations for the benefit of the employees; and
- To delegate powers, subject to Section 179 of the Companies Act, to such persons that it may think fit.

**52. Attorney of the Company**

The Board may appoint at any time and from time to time by Power of Attorney under the Company's seal any person to be the attorney of the Company for such purposes and with such powers authorities and discretion not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may, if the Board thinks fit, be made in favour of any person or body nominated directly by the Board, and any such Power of Attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.

The Board may authorise any such delegate or attorney as aforesaid to sub delegate all or any powers, authorities and discretion for the time being vested in him.

**53. Duty to maintain registers**

The Board shall duly comply with the provision of the Act and in particular with the provisions in regard to the registration of the particulars of the mortgages and charges affecting the properties of the Company or created by it; to keep a Register of the Directors; to send to the Registrar an annual list of Members of the company and a summary of particulars of shares and stock, copies of special resolutions and other resolutions of the Board as are required to be filed with the Registrar under Section 117 of the Act and such other information or documents that are to be filed with the Registrar.

**54. Duty to maintain record of minutes**

The Company shall comply with the requirements of Section 118 of the Act in respect of keeping of the minutes of all proceedings of every General Meeting and of every meeting of the Board or any committee thereof.

The Chairman of any Meeting may exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person, or irrelevant or immaterial to the proceedings, or detrimental to the interests of the Company.

**55. Powers as to commencement of business or branch of business**

Any branch or kind of business, which by the Memorandum of Association of the Company or these presents is expressly or by implication authorized to be undertaken by the Company, may be undertaken on being authorized by the Board at such time or times as the Board shall think fit and subject to the relevant provisions of the Companies Act; further, the Board, may keep them in abeyance, whether such branch or kind of business may have actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

**56. Delegation of powers**

The Board may from time to time delegate to and confer on any Managing Director/ Whole-time Director(s) or any person or persons, any or all of the powers which the Board of Directors may exercise in relation to the affairs of the Company and/or Board and on such terms and conditions and subject to such restrictions as the Board may deem

fit (except those which are by law required to be exercised by the Board) and from time to time vary, modify, revoke or alter such delegation of the powers.

The Board may, at any time, delegate all or any of the said powers and on such terms and conditions and subject to such restrictions as the Board may deem fit, either jointly or severally, at its discretion and from time to time vary, cancel or revoke any such delegation.

#### **57. Borrowing Powers**

Subject to these Articles, the Board may, from time to time, but with such consent of the Company in general meeting as may be required under Section 180 of the Act, raise or borrow or secure the repayment of any moneys or sums of moneys for the purpose of the Company; provided that the moneys to be borrowed by the Company, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, shall not, without the sanction of the Company at a general meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves.

Provided that, every resolution passed by the Company or the power to borrow as stated above shall specify the total amount up to which moneys may be borrowed by the Board. The Directors may by a resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or the Managing Director within the limits prescribed.

#### **58. Borrowing powers and assignment of debentures**

Subject to these presents, the Board may, from time to time, at their discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company at such time and in such manner and upon such terms and conditions as it thinks fit, and in particular, by promissory notes, or by opening overdraft accounts, or by receiving deposits and advances, with or without security, or by the issue of bonds, perpetual or redeemable, debentures or debenture stock of the Company charged upon all or any part of the property of the Company, present and future, including its uncalled capital for the time being, or by mortgaging or charging or pledging any land, buildings, goods, property and securities of the Company, or by such other means as may seem expedient.

#### **58A Term of Issue of Debenture**

Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise, and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of directors, and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the general meeting by way of special resolution.

### **59. Concurrence**

Any and all resolutions on the matters enumerated below, shall be placed or brought before the General Meeting of the Members of the Company for their concurrence, if so required by the Act:

- Issuance of new shares;
- Sale, purchase and licensing of industrial property rights;
- Investment in other companies;
- Increase or reduction of the share capital;
- Merger into or with or acquisition of all or part of the business of another juridical person; and
- Dissolution or voluntary bankruptcy.

### **60. Nomination of Directors by Government or financial institution**

In case the Central Government or any State Government or any industrial finance corporation, sponsored or financed by any of the above governments or any other financial institution, bank or agency grants loan or accepts participation in the capital of the Company in pursuance of any underwriting of the capital of the Company, such government, corporation, other financial institution or bank may, if the Company so consents, be entitled, so long as such government, corporation, other financial institution or bank continues to be a creditor or shareholder in terms of such arrangement, to nominate, and from time to time to substitute in the place of such nominee, a Director to protect the interests of such Government, corporation, other financial institution or bank, on the Board of Directors of the Company. The Director, so nominated, shall not be liable for retirement by rotation or to hold any qualification shares. The appointing government, corporation, other financial institution or bank may, from time to time, remove the person so appointed and appoint or re-appoint any other person in his place. In the event of any vacancy in the office of such Director, for any reason whatsoever, the government, corporation, other financial institution or bank that appointed him, may appoint any other person to fill up such vacancy.

### **61. Subsequent assignees of uncalled capital**

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge therein 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.

### **62. Powers to be exercised by Board only at a meeting**

Subject to the provisions of these Articles hereof, the Board shall exercise the following powers on behalf of the Company and the same powers shall be exercised only by resolution passed at a meeting of the Board:

- Power to make calls on shareholders in respect of moneys unpaid on their shares;
- Power to issue debentures;
- Power to borrow moneys otherwise than on debentures;
- Power to invest the funds of the Company;
- Power to make loans; and
- Power to Buy Back shares of the company

**63. Delegation of powers to Committee/Managing Director**

Subject to and in accordance with Section 179 of the Act, the Board may, by a resolution passed at a meeting, delegate to any committee or to the Managing Director/Deputy Managing Director or employee(s) the power specified in subclauses (c), (d), and (e) of the Article above, provided that every resolution delegating power set out in:

- sub-clause (c) shall specify the total amount outstanding at any time up to which moneys may be borrowed by the said delegate.
- sub-clause (d) shall specify the total amount up to which the funds may be invested and the nature of the investments which may be made by the delegate.
- sub-clause (e) above shall specify the total amount up to which loans may be made by the delegates and the purpose for which the loans may be made and the maximum amount of loan that may be made for such purpose in individual case.

**64. Other powers to be exercised only at Board Meeting**

The Board shall exercise the powers referred to in Sections 161, 179, 188, and 186 of the Act only at the meeting of the Board.

**MANAGEMENT**

**65. Board may appoint Chief Operating Officer/Chief Executive Officer**

Subject to the provisions of the Act and these Articles the Board of the Company may appoint or dismiss the Chief Operating Officer or Chief Executive Officer or Chief Executive of the Company upon such terms and conditions as the Board may think fit.

The remuneration of a Chief Operating Officer or Chief Executive Officer or Chief Executive may be by way of a fixed monthly payment, or participation in profits or by way of a combination of one or more of the above modes or any other mode not expressly prohibited by the Act.

A Chief Operating Officer or Chief Executive Officer or Chief Executive shall, subject to the supervision, control and direction of the Board, have such powers and perform such duties as the Board may from time to time determine.

**66. Appointment of Managers**

If at any time the Company has no Chief Operating Officer or Chief Executive Officer or Chief Executive holding office, the business of the Company shall be managed by the Board and in such manner and through such officers as the Board may deem fit and the Board if they so deem fit, may subject to the provisions of Section 196 of the Act and with such sanction, if any, as may be required for the purpose, appoint one or more persons as Manager(s) of the Company and on such remuneration as they deem fit.

**67. 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 Board shall provide for the safe custody of the seal.

**68. Affixing of Common Seal**

Subject to these presents, the seal shall not be affixed to any instrument except by authority of a resolution of the Board or of a committee of the Board authorized by it in this behalf and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed, shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director at least in whose presence the seal shall have been affixed and countersigned by the Secretary or such other persons as may from time to time be authorized by the Board; provided nevertheless that, any instrument bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same.

## **DIVIDENDS AND RESERVES**

### **69. Declaration of dividends**

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

### **70. Interim dividend**

The Board may from time to time pay to the Members such interim dividends as appear to them to be justified by the profits of the Company.

### **71. Dividends to be paid out of profits only**

No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

### **72. Reserves**

The Board may, before recommending any dividend, set aside out of the profits of the Company, such amount as they think proper as a reserve, which shall, at the discretion of the Board, be applicable for any purpose to which the profit of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends, and pending such application, may at its discretion either be employed in the business of the Company or be invested in such investment as the Board may, from time to time, think fit.

The Board may also carry forward any profits, which it may think prudent not to divide, without setting them aside as reserve.

### **73. Dividends on amounts paid-up on shares**

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

No amount paid or credited as paid-up on a share in advance of calls shall be treated for the purpose of these regulations as paid on the share.

### **74. Adjustment of dividends against calls**

Any general meeting declaring a dividend or bonus may make a call on the Members of such amount as the meeting fixes, but the call on each Member shall not exceed the dividend or bonus payable to him and the call can be made payable at the same time as the dividend or bonus and the dividend or bonus may if so arranged between the Company and the members be set off against the call.

**75. Payment by cheque or warrant**

Any dividend, interest or other moneys payable in respect of shares may be paid by cheque or warrant sent through the post, to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders, who is first named on the Register of Members or to such person and to such address as the holder or the joint holders may in writing direct.

Every such cheque or warrant shall be made payable to order for the person to whom it is sent.

Every such cheque or warrant shall be posted within a period from the date of declaration of dividend as may be specified in the Companies Act.

**76. Receipts of joint-holders**

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

**77. No interest on dividend**

No dividend shall bear interest against the Company.

**78. Unclaimed dividends**

Where the company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days of the date of declaration to any shareholder entitled to the payment of the dividend, the company shall, within 7 days of the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund established under Sec 205 C of the Act.'

No unclaimed dividend or unpaid dividend shall be forfeited by the Board.

**79. Notice of dividend**

Notice of any dividend that may have been declared shall be given to the Members in the manner mentioned in the Act.

## **80. Capitalization of profits**

Subject to these Articles, the Company in General Meeting, may on the recommendation of the Board, resolve:

- That it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and
- That such sums be accordingly set free for distribution in the manner specified in these presents, amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions.

The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained herein below, either in or towards:

- Paying up any amounts for the time being unpaid on any shares held by such Members respectively;
- Paying up in full, unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportion aforesaid; or
- Partly in the way specified in sub-clause b (i) and partly in that specified in sub-clause b (ii).

A share premium account and a capital redemption reserve account may for the purpose of this regulation only be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

The Board shall give effect to the resolutions passed by the Company in general meeting in pursuance of this Article.

## **81. Directors' power to declare bonus**

Whenever a resolution to declare and distribute bonus, as aforesaid, shall have been passed, the Board shall:

- Make all appropriations and applications of the undivided profits resolved to be capitalised hereby and make all allotments and issue fully paid shares if any; and
- Generally do all acts and things required to give effect thereto.

### **The Board shall have the following powers:**

- To make such provisions, by the issue of fraction certificates or by payments in cash or otherwise as they may think fit, in the case of shares becoming distributable in fractions; and also
- To authorise any person to enter on behalf of all of the Members entitled thereto into an agreement with the Company providing for the allotment to them, respectively, credited as fully paid-up, any further shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares.

Any agreement made under such authority shall be effective and binding on all such Members.

## **ACCOUNTS**

### **82. Books of account**

The Board shall cause proper books of account to be kept in respect of sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods or services by the Company, and of the assets and liabilities of the Company.

If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at such office, shall be kept at that office, and proper summarised return made up to date at intervals of not more than three (3) months, shall be sent by the branch office to the Company at the Registered Office or other place in India, as the Board thinks fit, where the main books of the Company are kept.

Provided that all or any of the books of account aforesaid may be kept, at such other place in India as the Board may decide and when the Board so decides the Company shall within seven (7) days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

All the aforesaid books shall give a true and fair view of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain its transactions.

### **83. Inspection by Members**

The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the account books and documents of the Company or any of them shall be open to inspection by the members, and no Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company, except as conferred by statute or authorized by the Board or by a resolution of the Company in general meeting.

## **AUDIT OF ACCOUNTS**

### **84. Audit**

Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed in accordance with the provisions of the Companies Act.

## **SERVICE OF DOCUMENTS AND NOTICE**

### **85. Service of documents on/by the Company**

A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post, under certificate of posting, or by registered post or by leaving it at the Registered Office.

#### **86. Service of documents**

A document (which expression for this purpose shall be deemed to include any summons, notices, requisition, process, order, judgement or any other document in relation to the Company or the winding up of the Company) may be served or sent by the Company on or to any Member either personally or by sending it by post to him at his registered address.

All notices shall with respect to any registered shares to which persons are entitled jointly be given to whichever of such persons is named first in the Register and notice so given shall be sufficient notice to all the holders of such shares.

Where a Member has intimated to the Company in advance that document should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member.

In the case of a notice of a meeting to a Member who has his registered address in India, the notice deemed to have been validly served at the expiration of forty-eight (48) hours after the letter containing the notice is posted at his registered address and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

#### **87. Service of documents outside India**

Notwithstanding anything to the contrary contained in these Articles, the Company shall at the written request of any Member whose registered address is situated outside India:

- Serve a copy of any document of notice to such Member at such registered address by prepaid registered airmail; and
- Simultaneously send an extract document or notice by telex at telex number or fax at fax number provided by such member.

The cost of sending such registered airmail and telex or fax shall be for the account of the Member concerned who shall from time to time, at the request of the Company, deposit with the Company a sum sufficient to meet the cost thereof.

#### **88. Service on persons acquiring shares on death or insolvency**

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through post in a prepaid letter addressed to them by name, or by title of representatives of the deceased, or assignees of the insolvent or by any like description of the entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

#### **89. Notice of general meeting**

Subject to the provisions of the Act and these Articles, notice of general meeting shall be given:

- To the Members of the Company in any manner authorized by these Articles or as authorized by the Act.
- To the person entitled to a share in consequence of the death or insolvency of a Member in the manner as provided by these Articles or as authorized by the Act.
- To the Auditor or Auditors for the time being of the Company in any manner as authorized by the Act as in the case of any Member of the Company.

**90. Notice by Advertisements**

Subject to the provisions of the Act, any document required to be served or served by the Company or to the Members, or any of them and not otherwise provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.

**91. Member's liability to documents given to previous holders**

Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which, prior to his name and address being entered on the Register, shall have been duly served on or sent to the person from whom he derives his title to such share.

**92. Signing of Notices**

Any notices to be given by the Company shall be signed by the Managing Director, if any or by such Director or Officer as the Board may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

**AUTHENTICATION OF DOCUMENTS**

**93. Authentication of documents of proceedings**

Save as otherwise expressly provided in the Act or these Articles, a document of proceedings requiring authentication by the Company may be signed by a Director, the Managing Director or an authorized officer of the Company and need not be under its seal.

**WINDING UP**

**94. Distribution of assets upon winding up**

If the Company shall be wound up and if the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up equity capital or equity capital deemed to be paid-up, such assets shall be distributed so that the losses shall be borne by the Members in proportion to the equity capital paid-up or deemed to be paid-up at the commencement of the winding up, on the shares held by them respectively; and if in winding up, the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the equity capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the equity capital paid-up or deemed to be paid-up at the commencement of the winding up, on the shares, held by them respectively. In the event of winding up,

where capital is paid-up on any shares in advance of calls, upon the condition that the same shall carry interest, such capital shall be excluded and shall be repayable in full before the distribution is made on the paid-up capital or capital deemed to be paid-up together with interest at the rate agreed upon. The provisions of this Article shall be subject to any special rights or liabilities attached to any special class of shares forming part of the capital of the Company.

**95. Division of assets in specie**

If the Company shall be wound up, whether voluntarily or otherwise, the liquidators, may with the sanction of a Special Resolution, divide among the contributors, in specie or kind, any part of the assets of the Company, and may with the like sanction, vest any part of the assets of the Company in trustees, upon such trusts for the benefit of the contributors or any of them, as the liquidators with the like sanction shall think fit, so that no Members shall be compelled to accept any shares or securities whereon there is any liability. In case any shares or securities to be divided as aforesaid involve a liability to call or otherwise, any person entitled under such division to the said shares or securities may within ten days after the passing of the special resolution, by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

**INDEMNITY AND RESPONSIBILITY**

**96. Right of Directors and others to indemnity**

Subject to the provisions of the Act, the Managing, Technical, Executive or whole-time Directors, Secretary, Auditor, Advisor and every officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Company to pay out of the funds of the Company, all properly documented costs, losses, and expenses including traveling expenses which any such Managing, Technical, Executive or whole-time Directors, Director, Secretary, Auditor, Advisor, Officer or employee may incur or become liable to, by reason of any contract entered into or act or deed done by him or in any other way in the discharge of his duties as such Managing, Technical, Executive, or whole-time Directors, Director, Secretary, Auditor, Officer or employee.

Subject as aforesaid the Managing, Technical, Executive or whole-time Directors and every Director, Manager, Secretary or other officer or employee of the Company shall be indemnified against any liability incurred by them or him in defending any proceedings whether civil or criminal in which judgement is given in their or his favour or in which they or he is connected with any application under Section 463 of the Act in which relief is given to them or him by the Court.

**97. Not Responsible For Acts Of Others**

Subject to the provisions of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for 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 money of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any

person, Company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same occurs through his own wilful act or default.

Without prejudice to the generality of the foregoing, it is hereby expressly declared that any filing fee payable on any document required to be filed with the Registrar of Companies in respect of any act done by any Director or other Officer, by reason of his holding the said office, shall be paid and borne by the Company.

**98. Secrecy**

No Member shall be entitled to visit or inspect the Company's work without the permission of the Directors or an officer authorized by the Board or Managing Director, or to require discovery of, or any information respecting, any detail of the Company's business or any matter which is or may be in the nature of a business secret, mystery of trade or secret process, or which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate to public.

Every Director, Managing, Technical, Whole-time, Executive Director, Manager, Secretary, Auditor, Trustee, member of a Committee, Officer, Agent, Accountant, Employee or other person employed in the Business of the Company shall if so required by the Board before entering upon his duties, or at any time during his term of office, sign a declaration pledging himself to strict secrecy respecting all transactions of the Company; all technical information possessed by the Company, and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any general meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these Articles.

**99. Secretary**

- a. Subject to the provisions of the Act in this behalf, the Board of Directors may from time to time appoint any qualified individual, as the whole time Secretary of the Company to perform duties which may be performed by a Secretary under the Act and any other purely ministerial and administrative duties as the Board of Directors may from time to time assign to the Secretary including the duty to keep the register required to be kept under the Act.
- b. The Board of Directors may at any time appoint a temporary qualified substitute for whole time secretary who shall for the purpose of the Articles be deemed to be the Secretary.

Name, description occupation and addresses of each subscriber	Signature of Subscribers	Name, address, description, occupation and signature of witness or witnesses
1. Khagnesh Kumar Goel S/o Shri Shriniwas Goel C-783, New Friend's Colony, business	K.K. Goel	<p style="text-align: center;">witness the signatures of all the seven subscribers who have signed in my presence</p> <p style="text-align: center;">Narendra Khanna (NARENDRA KHANNA) Shri Lajpat Rai Khanna 7/45, Old Rajindra Nagar, New Delhi-110060</p>
2. Smt. Raj Goel W/o Shri Khagesh Kumar Goel, 84 Civil Lines, Jhansi(U.P.) House Wife	Raj Goel	
3. Sharan Goel S/O Shri Shriniwas Goel C-783, New Friend's Colony, New Delhi Business	Sharan goel	
4. Asha Goel W/O Mr Dharm Goel, C-783, New Friends Colony, new Delhi	Asha Goel	
House Wife	Kusum Goel	
5. Mis Kusum Goel W/o Mr. Arun Goel 84, Civil Lines Jhansi	Sri Niwas Goel	
House Wife	Rajni Gupta	
6. Shri Niwas Goel S/o Late Rulia Ram goel C-783, New Friend's Colony, New Delhi	Rajni Gupta	
Business		
7. Rajni Gupta W/o Late Harish Gupta 30, A KamlaNagar Delhi-7		
House Wife		

Place: New Delhi

Dated: 29<sup>nd</sup> of August 1984

