

**MEMORANDUM OF ASSOCIATION  
AND  
ARTICLES OF ASSOCIATION  
OF  
VARVEE GLOBAL LIMITED**



FORM I. R.

## CERTIFICATE OF INCORPORATION

No. 04-10504 OF 1987-88

*I hereby certify that*

*AMTEX (INDIA) PRIVATE LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.*

*Given under my hand at AHMEDABAD this TWENTYEIGHTH day of MARCH One Thousand Nine Hundred and EIGHTY EIGHT.*



Sd/-  
[S. C. GUPTA]  
Registrar of Companies  
GUJARAT



Co. No. 04-10504

Fresh Certificate of Incorporation Consequent on

**CHANGE OF NAME**

In the OFFICE OF THE REGISTRAR OF COMPANIES GUJARAT,

[Under the Companies Act, 1956 (1 of 1956)]

In the Matter of **AMTEX INDIA PRIVATE LIMITED.**

I hereby certify that **AMTEX INDIA PRIVATE LIMITED.**

which was originally incorporated on **28-3-1988** under the Companies Act, 1956 and under the name

**AMTEX INDIA PRIVATE LIMITED**

having duly passed the necessary resolution in terms of Section 21/31/ 44 of the Companies Act. 1956 Vide S/R Passed on 2-4-1992 the Name of the said Comapny is this day changed to

**AMTEX INDIA LIMITED**

and this certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at AHMEDABAD.

Dated this **SEVENTH** day of **APRIL, 1992** One Thousand Nine Hundred Ninety Two.



Sd/-

**(B. K. L. SRIVASTAVA)**

Asstt. Registrar of Companies,

Gujarat

Dadra & Nagar Haveli

Co. No. 04-10504



Fresh Certificate of Incorporation Consequent on

**CHANGE OF NAME**

In the OFFICE OF THE REGISTRAR OF COMPANIES GUJARAT,

[Under the Companies Act, 1956 (1 of 1956)]

In the Matter of **AMTEX (INDIA) LIMITED.**

I hereby certify that **AMTEX (INDIA) PRIVATE LIMITED.**

which was originally incorporated on **28-3-1988** under the Companies Act, 1956 and under the name

**AMTEX (INDIA) PRIVATE LIMITED**

having duly passed the necessary resolution in terms of Section 21/31/ 44 of the Companies Act. 1956, and the approval of the Central Government signified in writing having been accorded thereto The Ministry of Law Justice and Company Affairs; Department of Company Affairs, (Company Law Board) On \_\_\_\_\_ Vide letter No. 10504 Dated 7-4-1994 the Name of the Said Company is this day changed to

**AARVEE DENIMS AND EXPORTS LIMITED**

and this certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at AHMEDABAD.

Dated this **7th April, One Thousand Nine Hundred Ninety Four.**



Sd/-

**(M. L. SHARMA)**

Registrar of Companies, Gujarat  
Dadra & Nagar Haveli



**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

Office of the Central Processing Centre

Plot No. 6,7, 8, Sector 5, IMT Manesar, Manesar, Haryana, India, 122050

**Certificate of Incorporation pursuant to change of name**

[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): **L17110GJ1988PLC010504**

I hereby certify that the name of the company has been changed from AARVEE DENIMS AND EXPORTS LTD to VARVEE GLOBAL LIMITED with effect from the date of this certificate and that the company is Company limited by shares.

Company was originally incorporated with the name AARVEE DENIMS AND EXPORTS LTD

Given under my hand at ROC, CPC this FIFTEENTH day of SEPTEMBER TWO THOUSAND TWENTY FIVE

Signature **Not Verified**

Digitally signed by  
\*.mca.gov.in

Date: 2025.09.15 13:36:38 IST

M.Yadubhushana Rao

Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies

Central Processing Centre

Note: The corresponding form has been approved by M.Yadubhushana Rao, Central Processing Centre, and this order has been digitally signed by the Registrar of Companies through a system generated digital signature under rule 9(2) of the Companies (Registration Offices and Fees) Rules, 2014.

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

VARVEE GLOBAL LIMITED

188/2, Ranipur Village, Opp.CNI Church, Narol, Ahmedabad 382 405, Narol, Daskroi, Ahmedabad- 382405, Gujarat, India

Note: This certificate of incorporation is in pursuance to change of name by the Company and does not affects the rights and liabilities of stakeholders pursuant to such change of name. It is obligatory on the part of the Company to display the old name for a period of two years along with its new name at all places wherever a Company is required to display its name in terms of Section 12 of the Act. All stakeholders are advised to verify the latest status of the Company and its Directors etc and view public documents of the Company on the website of the Ministry [www.mca.gov.in/MCA21](http://www.mca.gov.in/MCA21)



**MEMORANDUM OF ASSOCIATION \*\***  
**OF**  
**VARVEE GLOBAL LIMITED\***  
**(Formerly known as AARVEE DENIMS AND EXPORTS LIMITED)**

1. The name of the Company is **VARVEE GLOBAL LIMITED.\***
2. The Registered Office of the Company will be situated in the State of Gujarat.
3. The objects for which the Company is established are:
  - (a) The Objects to be pursued by the Company on its incorporation are**
    1. To carry on the business as manufacturers, producer, printers, dyers, weavers, processors, fabricators, assemblers, ginners, bleachers, balers, knitters, pressers, carders, sizers, spinners, woolcombers, worsted packers, reelers, refiners, distributors, traders, dealers, agents, brokers, financiers, buyers, sellers, importers and exporters of natural and man-made fibres including cotton staple fibre, synthetic, viscose, artificial silk, jute silk, hemp, wool, liner, nylon, terelene, cotton and synthetic waste or any other fibrous materials and yarn whether blended, spun, filament or otherwise including floor cloth, American cloth, tarpauliners, table cloth, upholstery, curtains, water proofing goods and articles, dress linings and synthetic materials, knitted products, garments, readymade or otherwise including shirts, bush shirts pyjama, suits pants, uniform for the Army, Navy, Airforce and other personal safaries, suits, coats, hosiery, vests, under garments for men, women and children made-ups shawls, sweaters, laces, stockings, mats, . rugs, blankets, packing materials, tapes, sacks, fabrics whether textile, felted, netted or looped.
    2. \*\*\*To carry on the business of acting as advisors, commission agents and consultants on all matters relating to textile industries as well as in all fields, including but not limited to, legal, industrial, business management, organization management, financial, cost accounting, recruitment personnel management, marketing, civil, administration and to provide consultancy services related to communications and networking, data formats, desktop publishing, education, hardware, internet, multimedia, programming languages, security, software, technical support, etc.
    3. \*\*\*To develop, generate, and harness renewable energy sources, including solar, wind, hydro, geothermal, and biomass energy, to design, manufacture, install, and maintain renewable energy systems, and provide consultancy services for feasibility studies, project planning, and implementation and to promote sustainable energy practices, reduce carbon footprint, and engage in research and development activities related to renewable energy technologies."
    4. \*\*\*To develop, construct, maintain, and operate infrastructure projects, including roads, highways, bridges, buildings, and urban infrastructure. To provide engineering, procurement, and construction services, and invest in and manage infrastructure assets. To offer consultancy services for feasibility studies, project planning, and implementation, and engage in construction and engineering activities."

**\* Change of Name from Aarvee Denims and Exports Limited to Varvee Global Limited altered vide Special Resolution passed in Extra Ordinary General Meeting of the company held on 19<sup>th</sup> August, 2025.**

**\*\*The Company has altered the MOA as per the Companies Act 2023 vide special resolution passed in 36<sup>th</sup> Annual General meeting held on 30<sup>th</sup> September,2025**

**\*\*\* Object clause of MOA is altered by Addition of object clause no. 2,3,4 vide special resolution passed in 36<sup>th</sup> Annual General meeting held on 30<sup>th</sup> September,2025**

**(b) Matters which are necessary for furtherance of the Objects specified in Clause 3(a)";**

1. To take part in the formation, management, supervision or control of the business or operations of any company or undertaking and for that purposes to act as administrators, receivers as far as permitted by law and to appoint and remunerate any director, adminis-trator, manager or accountant or other expert or agent.
2. To employ agents or experts to investigate and examine the conditions prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, properties or rights.
3. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation, provident or gratuity funds for the benefit of and give or procure the giving of the donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the company or of any company which is a subsidiary of the company or is allied to be associated with the company or with any such subsidiary or who are or were at any time directors of officers of the company or of any such other company as aforesaid and the wives, widows, families and dependents of any such persons and also to establish and subsidies and subscribe to any institutions, associations, clubs or funds calculated to be for benefit of or to advance the interest and well being of the company or of any such other company as aforesaid and make payments to or towards the insurance of any such person as aforesaid and to any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
4. To enter into any arrangements with any government or authorities or any person or company that may seem conducive to the objects of the company or any of them, and obtain from any such government authority, person or company any rights, privileges, charters, contracts, licences and concessions which the company may think it desirable to obtain and to carry out exercise and comply therewith.
5. To improve, manage, develop, grant rights or privileges in respect of or otherwise deal with, all or any part of the property and rights of the company.
6. To buy, sell, manipulate, import, export and deal in all substances, apparatus and things materials and articles capable of being used in any such business as aforesaid or required by any customers of or persons having dealing with the Company either by wholesale or retail.
7. To enter into any contract or arrangement with any Government or authorities, municipal local or otherwise that may seem conducive to the company's objects or any of them and to obtain from any such Government or authority rights, privileges and concessions which the company may think it desirable to obtain in and to carry out, exercise, perform and comply with any such contract arrangement, rights, privileges and concessions or to dispose off or to turn to account the same.
8. To train or pay for training in India or abroad for any of the Company's employees or any candidate in the interest or for furtherance of the company's objects.
9. To expend money on experimenting upon and testing and improving or securing any process, patent or patents or protecting any invention or inventions which the company may acquire or propose to acquire or deal with.
10. To apply for, tender, purchase, or otherwise acquire any contracts sub contracts, licences and concessions for works involving the supply or use of any of the products of the company or in relation to the objects or business herein mentioned or any of them and to undertake, execute carry out, dispose of or otherwise turn to account the same.
11. To enter into partnership or into any arrangement of sharing profits union of interest, cooperation, joint venture, reciprocal concessions or otherwise with any person or firm or Company carrying on or engaged in or about to carry on or engaged in any business or transaction which the company is authorised to do, which is capable of being conducted directly or indirectly to benefit this company and to lend money, firm or company and take or otherwise acquire shares and securities of any such company, to sell, hold, reissue, with or without guarantee, the same.
12. To pay premiums or salaries and to pay for any property, rights and privileges acquired by the company or for services rendered or to be rendered in connection with the promotion, formation, of or the business of the company or to acquire any property for the company or otherwise wholly or partially in cash or in shares, bonds, debentures or other securities of the Company and to issue any such shares either as fully paid up or

with such amount credited as paid up thereon as may be agreed upon, and to charge any such bonds, debentures, or other securities upon all or any part of the property of the company.

13. To enter into collaboration with foreign firms, companies or persons on such terms and conditions including payment of royalty and exchange ratio as the Directors may think fit.
14. To extend or develop the business of the company from time to time by purchasing, acquiring by exchange, grant assignment, transfer or otherwise or taking on lease, for the purpose of the company in India or elsewhere any land (Whether leasehold, or otherwise) with or without building standing thereon and land any machinery, plant or other property (including trade mark, trade names and goodwill) of every description (Movable as well as immovable) necessary or expedient for any business or objects or prospective business or requirements of the Company or any estate or interest in or any right over or option in any such property and to work operate and develop and turn to account or selling, mortgaging or disposing off and dealing with same and by erecting, laying down, enlarging, altering, constructing, maintaining on any lands of or in possession, of the Company any factories, other buildings, structures, works machinery, plant premises, gardens, studios, laboratories, cinema house or house to show pictures, office and workshops and to let on hire and to improve, extend, repair, add alter, enlarge and remove all or any of the building, factories, premises, machinery and other things for the time being the property of the company and to expand for such purposes from time to time such sums of money as the company may deem necessary or expedient.
15. To exchange, sell, convey, mortgage, assign or let on lease or leases the whole or any part of the property (whether moveable or immovable) of the company and to accept as Government Securities or securities guaranteed by the Government of India or State or other Government or Municipal, Port Trust, Railway or there authority or shares, debentures, stocks, bonds, or securities of any other joint-stock company or companies or partly the other or such other property or securities as may be determined by the company and take back or require any property so disposed off by repurchasing or leasing the same for such price or prices and on such terms and conditions as the Company may think fit.
16. To appoint engineers, contractors, managers, brokers, underwriters, canvassers, agents and other persons to establish and maintain agencies or branches in any part of India or elsewhere for the purposes of the company and to discharge and to discontinue the same.
17. To apply for, purchase or otherwise acquire and protect, prolong and review whether in India or elsewhere any patents brevets' d inventions licences, concessions and the like conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any of the purpose of the company acquisition of which may seem calculated directly or indirectly to benefit the company.
18. To accept expeditions and commission and to employ and remunerate experts or other agents in connection therewith with a view to secure any of the objects of the company.
19. To lend and advance money either with or without interest and either with or without security and generally to lend money to such person or persons, firm and/or companies, limited or otherwise and to such customers, sellers and others and members of the staff, having dealings with the company or not, upon such terms and conditions as the company may think fit by any such persons provided that the company shall not carry on the business of banking as defined by the Banking Companies Act, 1949.
20. To make advances of such sum or sums of moneys upon or in respect of or for the purpose of raw materials, goods, machinery, stores or any other property, articles and things required for the purposes of the company upon such terms with or without security as the company may deem expedient.
21. To borrow or raise money or to receive money on deposit at interest or secure the payment money for any of the purposes of the company or in connection with the company's business or otherwise and at such time or times and in such manner as may be thought fit by the company and in particular by issue of debentures or debenture stock, perpetual or otherwise including debentures or debenture stock convertible into shares of this or any other company charged or not charged upon all or any of the company's property, both present and future including its uncalled capital, or perpetual annuities and as security for any such money so borrowed raised or received or of any such debenture or debenture-stock so issued to mortgage pledge or charge the whole or any part of the property, assets, or revenue and profits of the company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust

and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem, or payoff any such securities.

22. To make, draw, accept, endorse, discount, execute, issue negotiate, assign and otherwise deal in cheques, drafts, bills of exchange, promissory notes, hundies. debentures, bonds bills of lading railway receipts, warrants and all other negotiable or transferable instruments.
23. To open account or accounts with any individual, firm or company or with any Bank or Bankers, and shroffs and to pay into, and withdraw money from such account or accounts.
24. To make donations to such persons, institutions and bodies and in such cases either of cash or any other assets as may be thought directly or indirectly conducive to any of the Companys objects or otherwise expedient and in particular to remunerate any person or corporation introducing business to this company and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or there objects and to establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences for the benefit of the employees or ex-employees or of persons having dealing with the Company or the dependents, relatives or connections of such person and in particular friendly or other benefit society and to grant pensions, allowances, gratuities, and bonuses either by way of an annual payment or a lump sum and to make payment towards insurance and to form and contribute to provident and benefit funds, to or for such persons and to subscribe or otherwise assist or grant money to religious, scientific, national or other institutions, objects or purpose.
25. To remunerate, pay brokerage or commission either in cash or in fully paid up shares with or without preferred or deferred rights attached, to any person firm or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing or subscribing any shares in the company's capital or any debentures or a debenture stock or other securities of the company or in about the formation or promotion of the company or the acquisition of property by the company or in the conduct of its business or in any other manner whatsoever.
26. To distribute as dividend or bonus amongst the members or to place to reserve and otherwise to apply as the company may from time to time determine any moneys received in payment of dividends accrued on forfeited shares and moneys or dividends arising from the sale by the company of the forfeited shares or any moneys received by way of premium on shares or debentures issued at a premium by the company.
27. To invest and deal with the moneys not immediately required in such manner as may from time to time be thought fit by the company.
28. To create any depreciation funds, reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the company or for any other purpose conducive to the interest of the company.
29. To entitle Directors to work in India and/or elsewhere and have dealings with the Company in all respects for the business of the Company and also as buying and selling agents for all kinds of goods commodities and articles dealt in by the Company for which the said Directors shall be entitled to a remuneration in addition to the fees payable to them as such Directors.
30. To Indemnify members, officers, Directors, Agents and Servants of the Company against proceedings, costs, claims and demands in respect of anything done or ordered to be done by them for and in the interest of the Company or for any loss, damages, or misfortune whatever, which may happen in execution of duties of their office or in relation thereto.
31. To form, promote, subsidise, organise, and assist or aid in forming, promoting, subsidising, organising assisting or aiding any other companies, syndicates or partnership of all kinds for the purpose of acquiring and undertaking all or any of the property and liabilities of this Company or advancing directly or indirectly objects or interest thereof or for any other purpose which this Company may think expedient and to take or otherwise acquire and hold shares, stocks and securities of any such Company and guarantee the payment of any debentures, or other securities issued by any such company.
32. To let out on hire to grant licence for the use of all or any of the property of the Company (whether real or personal) including every description of apparatus or appliances of the Company.

33. To procure the Company to be registered or incorporated or recognised in any part of the world in accordance with the laws for the time being at such place.
34. To take such steps as may be necessary to give the company the same rights and privileges in any part of the world as are possessed by local companies or partnership of a similar nature.
35. To sell, lease, mortgage, surrender, abandon and in other manner deal with and dispose of the undertaking or all or any of the property of the Company for such consideration as the Company may think fit either for cash or for shares, stocks, debentures and other securities of any other company or for any other consideration, subject to the provisions of the Companies Act, 1956.
36. Subject to the provisions of Section 205 of the Companies Act, 1956 to distribute any of the property of the Company or any proceeds of the sale or disposal of any property of the Company in specie among the members of the Company, in the event of winding up.
37. To amalgamate with any company whose objects are similar wholly or partly to those of this Company whether by sale or purchase (for fully or partly paid up shares or otherwise) of the undertaking subject to the liabilities of this or any other company as aforesaid with or without winding up or any sale or purchase (for fully or partly paid up shares or otherwise) of all the shares or stock of this or any such other company as aforesaid or by partnership or any arrangements, of the nature of partnership or in any other manners.
38. To payout of the funds of the company all or any costs, charges, and expenses, preliminary and incidental to the promotion, formation, registration, advertisements and establishment of this Company and the issue and subscription of the share or loan capital including brokerage and/or commission for obtaining application for or placing or guaranteeing the placing of shares or any debentures, debenture-stock and other securities of this company and also all expenses attending the issue of any circular or notice and forms to be filed up by the members of the company.
39. To do all or any of the above things as are incidental or as may be thought conducive to the attainment of the objects or any of them in India or in any part of the world as principals, agents, contractors, and either alone or in conjunction or collaboration with other and either by or through agents, trustees, contractors or otherwise.
40. To provide for and furnish or secure to any members or customers of the company, or to any subscribers to or purchaser or possessors of any products of the company or of any coupons or tickets issued with any products or goods sold by the company, any chattels, conveniences, advantages, benefits, or special privileges, which may seem expedient and whether gratutions or otherwise.
41. To acquire and undertake the whole or any part of the business property or any liabilities of any person or company carrying on or proposing to carry on or possessed of property suitable for the purposes of the company or which can be carried on in conjunction there with or which is capable of being conducted so as directly or indirectly to benefit the company.
42. In the course of business of the Company to guarantee the performance of any contract or obligation of any company, firm or persons, and to guarantee the payment of repayment and the capital and principal of and interest or premium payable on any stock, shares and securities, debentures, debenture-stock, mortgages, loan or other securities issued by any company, corporation, firm or person, including (without prejudice to the said generality) bank overdrafts, bills, of exchange and promissory notes and generally to give guarantees and indemnities.
43. To become member of any other bodies or persons, associations, institutions, clubs, societies and bodies corporate including companies limited by guarantee.
44. To accept gifts, bequestes, devices or donation of any movable or immovable property or any right to interest therein from members or others.
45. To establish show-rooms, workshops, offices, laboratories and factories suitable for the purpose of the company's business.
46. To acquire or undertake by purchase, lease, leave and licence or otherwise the whole or any part of the business, property, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the business or businesses which this company is authorised to carry on or which is similar in the nature to the business of this company or possessed of any property suitable for the purposes of the company

of which may seem, directly or indirectly calculated to benefit this company and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company or to enter into any arrangement for sharing profits or for agency for joint operations or for co-operation or for limiting compensation or for mutual assistance with any such person, firm or company and to give and accept, by way of consideration for any acts or things aforesaid or property acquired and shares, debentures, debenture-stock or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debentures, debenture-stock or securities so received 'and to conduct and carry on or liquidate and wind up any such business.

4. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

5. \*\*\*The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores only) divided into 7,00,00,000 (Seven crores only) equity share of Rs. 5/-(Rupees Five only) each and 1,50,00,000 (One Crore Fifty Lacs only) Cumulative Redeemable Non-Convertible Preference Shares of Rs. 10/- (Rupees Ten only) each.

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\*\*\*Capital Clause is amended by an Ordinary Resolution by members of the Company on 19<sup>th</sup> February, 2026 by means of Postal Ballot.

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

Names, addresses, Description and Occupation of Subscribers	No. of Equity Shares agreed to be taken by each Subscriber	Name, Address, Description Occupation & signature of Witness
<p><b>1. Ashish Shah</b> S/o, Virendrabhai Bhogilal Shah 2, Jain Merchants Society, Paldi, <b>Ahmedabad – 380 007.</b> Business Sd/ - A.V. Shah</p> <p><b>2. Vinod Arora</b> S/o, Shri Parmanand Tekchand Arora, 20, 'Sarathi', Near Drive-In-Cinema, <b>Ahmedabad – 380 052.</b> Business Sd/- V.P. Arora</p>	<p>100 (One Hundred)</p> <p>100 (One Hundred)</p>	<p>Common Witness to both <b>Mukesh Chokshi</b> S/o, Rasiklal Chokshi 1455, Toda' s Pole, Sheth' s Pole, Mandvi' s Pole, Ahmadabad – 380 001. Chartered Accountant Sd/- Mukesh Chokshi</p>
<b>Total :</b>	<b>200 (Two Hundred)</b>	

Place : Ahmadabad

Dated this 9<sup>th</sup> day of **March, 1988**

**ARTICLES OF ASSOCIATION**  
**OF**  
**VARVEE GLOBAL LIMITED\*\***

**Table “F” not to apply but Company to be governed by these Articles.**

1. The regulations contained in Table “F” in the First Schedule to the Companies Act, 2013, shall not apply to this Company, but the regulations for the Management of the Company and for the observance of the members thereof and their representatives shall subject to any exercise of the Statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolutions, as prescribed by the Companies Act, 2013, be such as are contained in these Articles.

**2. INTERPRETATION**

In the interpretation of these Articles, the following expressions shall have following meaning unless repugnant to the subject or context:

The Act

“The Act” means the Companies Act, 2013 and earlier provisions of the companies Act, 1956 which were applicable before the commencement of the Act 2013 and includes any statutory modification or reenactment thereof for the time being in force.

These Articles

“These Articles” means the articles of association of a company as originally framed or as altered from time to time or applied in pursuance of any previous company law or of this Act;

Auditors

“Auditors” means and includes those persons appointed as such for the time being of the Company.

Board or Board of Directors

“Board” or “Board of Directors” means the Board of Directors of the Company or the Directors of the Company collectively.

Capital

“Capital” means the share capital for the time being raised or authorised to be raised for the purposes of the Company.

Chairman

“The Chairman” means the Chairman of the Board of Directors for the time being of the Company.

Charge

“Charge” includes a mortgage.

“Charter”

“Charter” means the Articles of Association of the Company.

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\* Alteration of Articles of Association by passing Special Resolution in the 25th Annual General Meeting of the Company held on 30/09/2014.

\*\* **Altered vide Special Resolution passed in Extra Ordinary General Meeting of the company held on 19<sup>th</sup> August, 2025.**

#### “Control”

“Control” means the power to direct the management or policies of the Company, directly or indirectly, whether through the ownership of shares or other securities, by exercise of voting rights or otherwise.

#### “DEG”/“DEG - DEUTSCHE INVESTITIONS - UND ENTWICKLUNGSGESELLSCHAFT MBH”

“DEG”/ “DEG - DEUTSCHE INVESTITIONS-UND ENTWICKLUNGSGESELLSCHAFTMBH” means a financial institution incorporated and existing as a limited liability company under the laws of the Federal Republic of Germany (Reg. No. HRB 1005, AG Koln) having its registered office at Kaemmergasse 22,50676 Koeln, Germany.

#### “DEG Shares”

“DEG Shares” means the shares from time to time owned by DEG as a result of DEG’s subscription pursuant to the Subscription Agreements, DEG’s exercise of pre-emptive rights or issuances to DEG in connection with a stock dividend, stock split, bonus issue, and combination of shares, recapitalization, merger, consolidation or other reorganization in respect of the DEG Shares. For avoidance of doubt, it is clarified that any other shares acquired by DEG from shareholders of the Company shall not be considered as part of DEG Shares.

#### “DEG Subscription”

“DEG Subscription” means the subscription of DEG shares by DEG provided for in Article IV of each of the Subscription Agreements.

#### The Company or This Company

“The Company” or “This Company” means the Company above named.

#### Debenture

“Debenture” includes debenture-stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.

#### Directors

“Directors” means the Board of Directors for the time being of the Company or as the case may be the Directors assembled at a Board or acting under a Circular Resolution under these Articles.

#### Dividend

“Dividend” includes bonus.

#### Executor or Administrator

“Executor” or “Administrator” means a person who has obtained Probate or Letter of Administration, as the case may be, from a court of Competent jurisdiction and shall include holder of a Succession Certificate authorising the holder thereof to negotiate or transfer the share or shares of the deceased member and shall also include the holder of a Certificate granted by the Administrator General under Section 31 of the Administrator Generals Act, 1963.

#### Gender

Words importing the masculine gender shall include the feminine gender and vice versa.

#### In Writing and Written

“In writing” and “Written” includes printing, lithography and other modes of representing or reproducing words in a visible form.

#### Legal Representative

“Legal Representative” means a person who in law represents the estate of a deceased Member.

#### Sub headings

The sub headings hereto shall not affect the construction hereof.

#### Members

“Members” means the duly registered holders from time to time, of the shares of the company and includes the subscribers to the Memorandum of the Company.

#### Meeting or General Meeting

“Meeting” or “General Meeting” means a meeting of the members.

#### Annual General Meeting

“Annual General Meeting” means a General Meeting of the members held in accordance with the provisions of Section 96 of the Act.

#### Extra-ordinary General Meeting

“Extraordinary General Meeting” means an Extra-ordinary General Meeting of the members duly called and constituted and any adjourned holding thereof.

#### Month

“Month” means a calendar month.

#### Office

“Office” means the Registered Office for the time being of the Company.

#### Ordinary Resolution

“Ordinary Resolution” shall have the meaning assigned to it by Section 114 of the Act.

#### Paid up

“Paid up” includes credited as paid up.

#### Persons

(ad) “Person” means any (natural person, corporation, company, partnership, firm, voluntary association, joint venture, trust, unincorporated organization, Authority or any other entity whether acting in an individual, fiduciary or other capacity.

#### Proxy

“Proxy” means an instrument whereby any person is authorised to attend a meeting and vote for a member at the General Meeting or a poll.

#### The Register of Members

“The Register of Members” means the Register of Members to be kept pursuant to Section 88 of the Act.

#### The Registrar

“The Registrar” means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.

#### The Company’s Regulations

“The Company’s Regulations” means the regulations for the time being for the management of the Company.

#### Seal

“Seal” means the Common Seal for the time being of the Company.

#### Company secretary” or Secretary

“Company secretary” or Secretary” A company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under this Act;

#### Company secretary” or Secretary

“Company secretary in practice” Company secretary who is deemed to be in practice under sub-section (2) of section 2 of the Company Secretaries Act, 1980;

#### Depository

“Depository” A depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996;

#### Employees' stock option

"Employees' stock option" The option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price;

#### Independent director

"Independent director" An independent director referred to in sub-section (5) of section 149;

#### Independent director

"Global Depository Receipt" Any instrument in the form of a depository receipt, by whatever name called, created by a foreign depository outside India and authorised by a company making an issue of such depository receipts;

#### Indian Depository Receipt

"Indian Depository Receipt" Any instrument in the form of a depository receipt created by a domestic depository in India and authorised by a company incorporated outside India making an issue of such depository receipts;

#### Postal ballot

"Postal ballot" Voting by post or through any electronic mode;

#### E-Voting

"E-Voting" E-Voting with the help of electronic voting systems.

#### Sweat equity shares

"Sweat equity shares" Such equity shares as are issued by a company to its directors or employees at a discount or for consideration, other than cash, for providing their know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called;

#### Total voting power

"Total voting power" In relation to any matter, means the total number of votes which may be cast in regard to that matter on a poll at a meeting of a company if all the members thereof or their proxies having a right to vote on that matter are present at the meeting and cast their votes;

#### Voting right

"Voting right" The right of a member of a company to vote in any meeting of the company or by means of postal ballot;

#### Accounting standards

"Accounting standards" The standards of accounting or any addendum thereto for companies or class of companies referred to in section 133;

#### Auditing standards

"Auditing standards" The standards of auditing or any addendum thereto for companies or class of companies referred to in sub-section (10) of section 143;

#### Associate company

"Associate company" In relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation.—For the purposes of this clause, "significant influence" means control of at least twenty per cent. of total share capital, or of business decisions under an agreement;

#### Shares

"Shares" means share in the share capital of the Company and includes stock where a distinction between stocks and share is expressed or implied.

Special Resolution

“Special Resolution” shall have the meaning assigned to it by Section 114 of the Act.

“Subscription Agreements”

“Subscription Agreements” means, collectively the subscription agreement for equity shares dated June 23, 2005 (“Subscription Agreement for Equity Shares”) and the subscription agreement for preference shares dated June 23, 2005 (“Subscription Agreement for Preference Shares”) executed between the Company and DEG.

Words and expressions used and not defined in this Act but defined in the Securities Contracts (Regulation) Act, 1956 or the Securities and Exchange Board of India Act, 1992 or the Depositories Act, 1996 shall have the meanings respectively assigned to them in those Acts.

Expression in the Act to bear the same meaning in Articles

Save as aforesaid, any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

## **CAPITAL**

3. The authorised share capital of the Company is Rs. 500,000,000 divided into 35,000,000 equity shares of Rs. 10 each and 15,000,000 cumulative redeemable non-convertible preference shares, with right to alter the same in whatever way as deemed fit by the Company. The Company may increase the Authorised Capital which may consist of equity and/or preference shares as the Company in General Meeting may determine in accordance with the law for the time being in force relating to companies with power to increase or reduce such capital from time to time, in accordance with the Charter of the Company and the legislative provisions from the time being in force, in this behalf and with power to divide the Shares in the Capital for the time being into equity share capital or preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions and to vary, modify and abrogate the same in such manner as maybe determined by or in accordance with these presents.

4. **Increase of Capital by the Company at how carried into effect**

The Company may in General Meeting, from time to time by ordinary resolution, increase its capital by creation of new shares which may be unclassified and may be classified at the time of issue in one/or more classes and of such amount or amounts as may be deemed expedient. The new shares shall be issued upon such terms and conditions with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of asset of the Company and with a right of voting at General Meeting of the Company in conformity with Sections 47 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of section 64 of the Act.

5. **New Capital same as existing capital**

Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

6. **Redeemable Preference Shares**

Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company are liable to be redeemed in accordance with the act.

7. **Provisions to apply on issue of Redeemable Preference Shares**

On the issue of redeemable preference shares under the provisions of Article 6 hereof, the following provisions shall take effect.

- (a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purposes of 'the redemption.
- (b) No such shares shall be redeemed unless they are fully paid.
- (c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's Share Premium Account, before the shares are redeemed.

- d) 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 in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
- (d) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.

**8. Reduction of share capital**

The Company may (Subject to the provisions of Sections 52, 55 and 66 and other applicable provisions, if any of Act) from time to time by special resolution reduce (a) the share capital (b) any capital redemption reserve account or (c) any share premium account in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power Company would have, if it were omitted.

**9. Consolidation division, sub-division and cancellation of Shares**

Subject to the provisions of Section 61 of the Act, the Company in General Meeting may from time to time by an ordinary resolution after the conditions of its Memorandum as follows:

- (a) Consolidate and divide all or any of its share capital into shares of large amount than its existing shares.
- (b) Sub-divide its shares or any of them into shares of smaller amount than fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on such reduce share shall be the same as it was in the case of the share from which the reduced share is derived.
- (c) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be reduction of share capital within the meaning of the Act.

Whenever the Company shall do anyone or more of the things provided for in the foregoing sub-clauses (a), (b) and (c), the Company shall within thirty days thereafter give notice thereof to the Registrar as required by Section 64 of the Act, specifying, as the case may be, the shares consolidated divided, sub-divided or cancelled.

**10. Modification of rights**

Whenever the capital, by reason of the issue of the preference shares or otherwise is dividend into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 48 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issue capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class and all the provisions hereinafter contained as to general meeting shall mutatis mutandis apply to every such meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.

The rights conferred upon the holders of the shares (including preference shares if any) of any class issued with preferred or other rights or privileges shall unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated dealt with or varied by the creation of issue of further shares ranking *pari passu* therewith.

**DEG Positive Assent**

**10A** It is recognized by DEG that incorporation of these provisions in the Articles is on the basis that DEG, acting in its capacity as shareholder of the Company, shall seek to align its interests with that of the Company and would not use or share the information provided by the Company for any purpose other than that related to its investments in the Company.

**10B** After DEG Subscription has been made and DEG Shares have been issued to DEG and for so long as DEG holds more than 1,172,990 DEG Shares in the Company, the Company shall not, without the prior written positive assent of DEG:

- (a) change its Charter;

- (b) change the nature of its business in any manner contrary to the main objects of the Company as stated in the Charter;
- (c) change its Financial Year;
- (d) change its authorized or issued share capital” consolidate or divide its share capital; change class rights, if any, attached to the shares issued by the Company (directly or indirectly);
- (e) grant an option to subscribe to any further new shares/instruments, acquire or dispose of shares (other than in ordinary course of business);
- (f) undertake listing / de-listing of the Company’s shares on any stock exchange;
- (g) change its legal status in any manner whatsoever, viz. public company to private company;
- (h) create a new subsidiary, other than subsidiaries that are fully owned by the Company;
- (i) expand and develop its business except through itself or any subsidiary of the Company; nor enter into any partnership, profit sharing or royalty agreement or other similar arrangement whereby the Company’s income or profit is, or may be, shared with any other Person;
- (j) enter into or offer a service or any other agreement, except for renewal of any existing agreement, with any director or connected person or materially change such an agreement;
- (k) invest in any tax saving scheme which is not within the ordinary course of business and which amounts to a sum greater than US \$ 5 million, or its equivalent;
- (l) make a substantial business acquisition exceeding US \$ 5 million or its equivalent in any currency, being the amount invested by the Company, either in form of equity or debt;
- (m) dispose of all or a substantial part of its business exceeding US \$ 5 million;
- (n) give any guarantees or make any loans (other than in the ordinary course of business);
- (o) incur expenditure for fixed or non Current Assets in any Financial Year exceeding US \$ 5 million;
- (p) appoints a member of the management with a total salary package exceeding Rs. 1.5 million per year, which may increase to up to 10 % every year, or change the employment contract with any member of the Promoter Group or related party, without first consulting with DEG; or
- (q) Passing of any resolution for winding up or voluntary liquidation.

However, from the date after DEG sells a part of the DEG Shares in the Company so that at any time it holds less than 1,172,990 shares of the Company (or such changed number of shares obtained after suitably adjusting for any bonus or’ rights issue or any distributions from revaluation fund or any stock split / consideration in respect of the 1,172,990 shares), on a fully diluted basis the Company shall not be required to seek DEG’s prior written positive assent on any matter other than the following:

- (i) any change in the Charter;
- (ii) change in the nature of the business of the Company in any manner contrary to the main objects of the Company as stated in the Charter;
- (iii) change in the accounting reference period of the Company;
- (iv) listing / de-listing of the Company’s shares on any stock exchanges or change in its legal status, viz.. public company to private company, etc.; and
- (v) passing of any resolution for winding up or voluntary liquidation.

**10C** When DEG ceases to be a shareholder in the Company, Article 10A to 10C, Article 10D to 10F, Article 35 and definition of “Subscription Agreement” in Article 2, shall automatically stand deleted from these Articles.

**“Obligations of the Company”**

**10D** The Company undertakes to appoint an internationally renowned accounting firm acceptable to DEG to carry out a review of the audited accounts of the Company for the Accounting Year 2005-06, with special emphasis on related party transactions.

**10E** The Company undertakes to appoint and maintain at all times an internationally renowned accounting firm, acceptable to DEG, from the Financial Year 2006-07 onwards as the statutory auditor of the Company, with

special emphasis on related party transactions. However, the Company may continue to retain the services of any other auditor as joint auditors of the Company if the Company so wishes.

- 10F** The Company undertakes to ensure that, unless DEG otherwise agrees in writing, the Company shall not:
- a) enter into any transaction except in the ordinary course of business on the basis of arm's-length arrangements (including, without limitation, transactions whereby the Company might pay more than the ordinary commercial price for any purchase or might receive less than the full ex-works commercial price, subject to normal trade discounts, for its products); and
  - b) make (and shall not authorize or permit any Promoter or any Promoter's Affiliate or any other Person acting on his or their behalf to make) with respect to the Project or any transaction contemplated by this Agreement, any Prohibited Payment. The Company further covenants that should DEG notify the Company of its concerns that there has been a violation of the provisions relating to of Section 7.01 or of Section 3.0l(q) of the Subscription Agreement for Equity Shares, it shall cooperate in good faith with DEG and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from DEG, and shall furnish documentary support for such response upon DEG's request.

## **SHARES AND CERTIFICATES**

### **11. Restriction on allotment and return of allotment**

The Board of Directors shall observe the restrictions to allotment of shares to the public contained in Section 39 of the Act and shall cause to be made the returns as to allotment provided for in Section 39 of the Act.

### **12. Further issue of shares**

- (1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
  - (a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—
    - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
    - (ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;
    - (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;
  - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or
  - (c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.
- (2) The notice referred to in sub-clause (i) of clause (a) of sub-section (1) shall be despatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
- (3) Nothing in this section shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

- (4) Notwithstanding anything contained in sub-section (3), where any debentures have been issued, or loan has been obtained from any Government by a company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.

- (5) In determining the terms and conditions of conversion under sub-section (4), the Government shall have due regard to the financial position of the company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.
- (6) Where the Government has, by an order made under sub-section (4), directed that any debenture or loan or any part thereof shall be converted into shares in a company and where no appeal has been preferred to the Tribunal under sub-section (4) or where such appeal has been dismissed, the memorandum of such company shall, where such order has the effect of increasing the authorised share capital of the company, stand altered and the authorised share capital of such company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

### **13. Shares under control of Directors**

Subject to the provisions of the Act, the shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose off the same to such person on such terms and conditions and at such time, as they think fit with full power, subject to the sanction of the Company in General Meeting to give any person the option to call for or be allotted shares of any class of the Company either at a premium or at par or subject to the provisions of Sections 52 and 53 of the Act, at a premium or at par and such option being exercisable for such time and for such consideration as the Directors think fit.

### **14. Application of premium received on shares**

- (1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium account" and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this section, apply as if the securities premium account were the paid-up share capital of the company.
- (2) Notwithstanding anything contained in clause (1), the securities premium account may be applied by the company—
- (a) towards the issue of unissued shares of the company to the members of the company as fully paid bonus shares
  - (b) in writing off the preliminary expenses of the company;
  - (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company;
  - (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the company; or
  - (e) for the purchase of its own shares or other securities under section 68.

### **15. Liability of Members**

Every member of his heirs, executors or administrators to the extent of his assets which come to their hands shall be liable to pay of the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall from time to time, in accordance with the Company's requisitions, require or fix for the payment thereof.

## **16. Share Certificate**

Every share certificate will be issued under the common seal of the Company. A certificate, issued under the common seal of the company, specifying the shares held by any person, shall be prima facie evidence of the title of the person to such shares.

- (2) A duplicate certificate of shares may be issued, if such certificate —
  - (a) is proved to have been lost or destroyed; or
  - (b) has been defaced, mutilated or torn and is surrendered to the company.
- (3) the form of such certificate, the particulars to be entered in the register of members and other matters shall be such as may be decided by the board.
- (4) Where a share is held in depository form, the record of the depository is the prima facie evidence of the interest of the beneficial owner.

## **17. New certificate to be granted on delivery of the old certificates**

New certificates shall not be granted except upon delivery of the worn out or defaced or used up certificate for the purpose of cancellation and upon proof of destruction or loss and upon such terms, if any, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence as the Board of Directors may think fit in the case of any certificate having been destroyed, lost or defaced beyond identification.

## **18. The first named of joint holders deemed sole holder**

If any share stands in the name of two or more persons, the person first named in the Register shall, as regards receipt of dividends or bonus or service of notice and all or any other matter connected with the Company except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holders of a share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's regulations.

## **19. Company not bound to recognise any interest in share other than of registered holder**

Except as ordered by a Court of Competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any share or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

## **20. Funds of Company not to be applied in purchase of shares or the Company**

No funds of the Company shall, except as provided by the Act, be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 and 66 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loans, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the' Company in its holding Company.

## **21. Debentures**

- (1) A company may issue debentures with an option to convert such debentures into shares, either wholly or partly at the time of redemption:

Provided that the issue of debentures with an option to convert such debentures into shares, wholly or partly, shall be approved by a special resolution passed at a general meeting.
- (2) The company shall not issue any debentures carrying any voting rights.
- (3) The Company shall follow provisions of Section 71 for issue, conversion and redemption of debentures.

## **22. Calls on shares of same class to be made on uniform basis:**

Where any calls for further share capital are made on the shares of a class, such calls shall be made on a uniform basis on all shares falling under that class. Explanation: for the purposes of this section, shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

## **23. Forfeiture of shares**

If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

The notice aforesaid shall—

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

## **24. Transfer and transmission of shares**

A company shall not register a transfer of securities of the company, or the interest of a member in the company in the case of a company having no share capital, other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer, in such form as may be prescribed, duly stamped, dated and executed by or on behalf of the transferor and the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the company by the transferor or the transferee within a period of sixty days from the date of execution, along with the certificate relating to the securities, or if no such certificate is in existence, along with the letter of allotment of securities:

Provided that where the instrument of transfer has been lost or the instrument of transfer has not been delivered within the prescribed period, the company may register the transfer on such terms as to indemnity as the Board may think fit.

Where an application is made by the transferor alone and relates to partly paid shares, the transfer shall not be registered, unless the company gives the notice of the application, in such manner as may be prescribed, to the transferee and the transferee gives no objection to the transfer within two weeks from the receipt of notice.

The company shall, deliver the certificates of all securities allotted, transferred or transmitted—

- (a) within a period of two months from the date of allotment, in the case of any allotment of any of its shares;
- (b) within a period of one month from the date of receipt by the company of the instrument of transfer.
- (d) within a period of six months from the date of allotment in the case of any allotment of debenture:

Provided that where the securities are dealt with in a depository, the company shall intimate the details of allotment of securities to depository immediately on allotment of such securities.

The transfer of any security or other interest of a deceased person in a company made by his legal representative shall, even if the legal representative is not a holder thereof, be valid as if he had been the holder at the time of the execution of the instrument of transfer.

**25. No transfer to minor**

The Board shall not issue or register a transfer of any shares for a minor (except in case when they are fully paid) or insolvent or person of unsound mind.

**BORROWING POWER**

**26. Borrowing power**

Subject to the provisions of Sections 179 to 181 of the Act and of these Articles the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow funds from banks, and any financial institutions and secure the payment of any such sum.

PROVIDED THAT, to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, the company should take approval from members by passing special resolution in general meeting. Every special resolution passed by the company in general meeting in relation to the exercise of the borrowing powers shall specify the total amount up to which monies may be borrowed by the Board of Directors.

The Company shall accept public deposit, subject to the provisions of section 73 to 76 and others rules and regulation issued time to time for acceptance of deposits from members and others.

**BUY-BACK OF SHARES**

**27. Buy-back of shares**

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

**MEETING OF MEMBERS**

**28. General meetings**

All general meetings other than annual general meeting shall be called extra-ordinary general meeting. The Board may, whenever it thinks fit, call an extraordinary general meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

**29. Proceedings at general meetings**

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

Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

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

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

**30. Adjournment of meeting**

The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**31. Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

The Company shall follow provisions of section 110 of the act hence all transactions mentioned in the act shall be passed only by means of postal ballot. The Company shall appoint independent scrutinizer for determine the result of vote casted by postal ballot, e-voting and by poll.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

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

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. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **32. Proxy**

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

## **DIRECTORS**

### **33. Number of Directors**

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three and not more than fifteen.

### **34. First Directors of the Company,**

The First Directors of the Company are:

Mr. Vinod Parmanand Arora

Mr. Ashish Virendrabhai Shah

### **35. Appointment of Investor Observer**

DEG shall have the right to appoint an observer ("Observer") on meeting of the Board of Directors of the Company, who shall attend all the meetings of the directors without the right to vote or participate in the proceedings of such meeting.

Notwithstanding anything to the contrary contained in aforesaid DEG would only retain its right to appoint the Observer,(i) until such time DEG sells a part of the Shares held by it such that its shareholding in the Company

falls below 1,172,990 shares, which amounts to 4.99% of fully diluted post money share capital of the Company on the date of the transactions, or (ii) termination of Subscription Agreements.

**36. Remuneration of Director & travelling Expenses etc**

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

In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.

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

**37. Register of members**

The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

**38. Power of signing of documents & negotiable instruments**

All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

**39. Attendance register of meetings & committee**

Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

**THE BOARD**

**40. Procedure of Board and committee meetings**

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

A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

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

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

The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. The Board may appoint Managing Director and executive director as a Chairman of the Board.

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

The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

A committee may elect a Chairperson of its meetings.

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

A committee may meet and adjourn as it thinks fit.

Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

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

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

**41. Appointment of Alternate, additional and Nominee Director**

Subject to the provisions of Section 161 the Board having power to appoint alternate, additional and nominee director.

**42. Qualification of shares**

A Director need not hold any qualification shares.

**APPOINTMENT AND RESIGNATION OF DIRECTORS**

**43. Rotation and appointment of directors**

Other than Managing directors and independent directors, (i.e. Managing directors and independent shall not be considered as rotational directors of the company) at every annual general meeting, not less than two-thirds of the total number of directors of the company shall—

- (i) be persons whose period of office is liable to determination by retirement of directors by rotation; and
  - (ii) be appointed by the company in general meeting.
- (b) At the first annual general meeting of a public company held next after the date of the general meeting at which the first directors are appointed in accordance with clauses (i) and (ii) and at every subsequent annual general meeting, one-third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.
- (c) The directors to retire by rotation at every annual general meeting shall be those 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, in default of and subject to any agreement among themselves, be determined by lot.
- (d) At the annual general meeting at which a director retires as aforesaid, the company may fill up the vacancy by appointing the retiring director or some other person thereto.
- (d) If the vacancy of the retiring director is not so filled-up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.
- (e) If at the adjourned meeting also, the vacancy of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meeting, unless—
- (i) at that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost;
  - (ii) the retiring director has, by a notice in writing addressed to the company or its Board of directors, expressed his unwillingness to be so re-appointed;

- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act.

**44. Appointment of director elected by small shareholders**

The company may have one director elected by such small shareholders in such manner and with such terms and conditions as may be prescribed in the act.

**45. Right of persons other than retiring directors to stand for directorship**

A person who is not a retiring director, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to the member, if the person proposed gets elected as a director or gets more than twenty five per cent. of total valid votes cast either on show of hands or on poll on such resolution.

**46. Resignation of director**

A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar in such manner, within such time and in such form as may be prescribed and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting by the company.

A director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within thirty days of resignation. The resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

**MANAGING DIRECTOR, WHOLE-TIME DIRECTOR AND MANAGER**

**47. Managing Director, Whole-time Director and manager**

The company shall not appoint or employ at the same time a managing director and a manager.

The company shall appoint or re-appoint any person as its managing director, whole-time director or manager for a term exceeding five years at a time:

Provided that no re-appointment shall be made earlier than one year before the expiry of his / her term.

The company shall not appoint or continue the employment of any person as managing director, whole-time director or manager who —

- (a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

- (b) is an undischarged insolvent or has at any time been adjudged as an insolvent;
- (c) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or
- (d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

Subject to the provisions of section 197 and Schedule V, a managing director, whole-time director or manager shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule:

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a director or directors in such appointments, if any:

Subject to the provisions of this Act, where an appointment of a managing director, whole-time director or manager is not approved by the company at a general meeting, any act done by him before such approval shall not be deemed to be invalid.

Provided further that, the Managing Director or Whole-time Director of Executive directors, whatever name called shall not be eligible and counted for directors retire by rotation under Section 152 of the Act, i.e. the provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to independent directors, Managing Director or Whole-time Director or executive director whatever name call it by the Company. The Managing Director, Whole-time director and executive director shall be appointed as a Chairman of board and general meeting.

## **MINUTES**

### **48. Minutes of proceedings of general meeting, meeting of Board of Directors and other meeting and resolutions passed by postal ballot.**

- (1) The Company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.
- (2) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (3) All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (4) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain—
  - (a) the names of the directors present at the meeting; and
  - (b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.

### **49. Inspection of minute-books of general meeting**

- (1) The books containing the minutes of the proceedings of any general meeting of a company or of a resolution passed by postal ballot, shall—
  - (a) be kept at the registered office of the company; and
  - (b) be open, during business hours, to the inspection by any member without charge after taking seven days previous appointment from concern department. The minutes shall open for inspection for two hours in business day.
- (2) Any member shall be entitled to be furnished extracts of the minutes, within seven working days after he has made a request in that behalf to the company and on payment of such fees as may be prescribed.

### **50. Maintenance and inspection of documents in electronic form**

Under the provisions of the Act, the company shall maintain any document, record, register, minutes, etc in electronic form. Any member shall be entitled to inspect said document as per the procedure laid down in the act.

## **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

### **51. Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

Subject to the provisions of the Act,—

- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board.
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

## **THE SEAL**

### **52. The Seal**

- (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## **DIVIDENDS AND RESERVE**

### **53. Dividends and Reserve**

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

Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

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

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

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

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

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

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

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

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

No dividend shall bear interest against the company.

## CAPITALIZATION OF PROFITS

### 54. Capitalization of profits

- (i) The company in general meeting may, upon the recommendation of the Board, resolve—
  - (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
  - (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
  - (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
  - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

## ACCOUNTS AND AUDIT

### 55. Accounts

- (i) 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 accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

### 56. Audit

Once at least in every year the accounts of the Company shall be examined, balance and audited and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more Auditor or Auditors.

Auditors shall be appointed and their qualifications, remuneration, signing of audit report, rights and duties regulated in accordance with Sections 139 to 147 of the Act.

## OTHER MISCELLANEOUS PROVISIONS

### 57. Service of documents

- (1) A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed.

Where securities are held with a depository, the records of the beneficial Ownership may be served by such depository on the company by means of electronic or other mode.

- (2) Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed.

A member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

### 58. Authentication of documents, proceedings and contracts.

Save as otherwise provided in this Act,—

- (a) a document or proceeding requiring authentication by a company; or
- (b) contracts made by or on behalf of a company,

may be signed by any key managerial personnel or an officer of the company duly authorized by the Board in this behalf.

### 59. Register and documents

The Company shall keep and maintain Registers, Books and Documents required by the Act.

### 60. Winding up

Subject to the provisions of Chapter XX of the Act and rules made thereunder—

- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### 61. Secrecy Clause

Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matter thereto and shall, by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of provisions in these presents contained.

### 62. No member to enter the premises of the Company without permission

No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

### 63. Indemnity

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

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

Names, addresses, Description and Occupation of Subscribers	No. of Equity Shares agreed to be taken by each Subscriber	Name, Address, Description Occupation & signature of Witness
<p><b>1. Ashish Shah</b> S/o, Virendrabhai Bhogilal Shah 2, Jain Merchants Society, Paldi, <b>Ahmedabad – 380 007.</b> Business Sd/ - A.V. Shah</p>	<p>100 (One Hundred)</p>	<p>Common Witness to both <b>Mukesh Chokshi</b> S/o, Rasiklal Chokshi 1455, Toda' s Pole, Sheth' s Pole, Mandvi' s Pole, Ahmadabad – 380 001. Chartered Accountant Sd/- Mukesh Chokshi</p>
<p><b>2. Vinod Arora</b> S/o, Shri Parmanand Tekchand Arora, 20, 'Sarathi', Near Drive-In-Cinema, <b>Ahmedabad – 380 052.</b> Business Sd/- V.P. Arora</p>	<p>100 (One Hundred)</p>	
<p><b>Total :</b></p>	<p><b>200</b> <b>(Two Hundred)</b></p>	

Place : Ahmadabad

Dated this 9<sup>th</sup> day of March, 1988

**Articles of Association  
of  
VARVEE GLOBAL LIMITED  
(Formerly known as Aarvee Denims and  
Exports Ltd)**

**THE COMPANIES ACT, 2013**  
**ARTICLES OF ASSOCIATION\*\***  
**OF**  
**VARVEE GLOBAL LIMITED\***  
**[Company Limited by Shares]**

**I.**

**CONSTITUTION OF THE COMPANY AND INTERPRETATION CLAUSE**

- A.** The regulations contained in table “F” of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles.
- B.** “Public Company” means a company which—
- (a) is not a private company;
  - (b) has a minimum paid-up share capital as may be prescribed:
- Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.
- C.** The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:
- a. ‘The Act’ or ‘The Companies Act’ shall mean ‘The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.’
  - b. ‘The Board’ or ‘The Board of Directors’ means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
  - c. ‘The Company’ or ‘This Company’ means **VARVEE GLOBAL LIMITED**.
  - d. ‘Directors’ means the Directors for the time being of the Company.
  - e. ‘Writing’ includes printing, lithograph, typewriting and any other usual substitutes for writing.
  - f. ‘Members’ means members of the Company holding a share or shares of any class.
  - g. ‘Month’ shall mean a calendar months.
  - h. ‘Paid-up’ shall include ‘credited as fully paid-up’.
  - i. ‘Person’ shall include any corporation as well as individual.
  - j. ‘These presents’ or ‘Regulations’ shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.
  - k. ‘Section’ or ‘Sec.’ means Section of the Act.
  - l. Words importing the masculine gender shall include the feminine gender
  - m. Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.
  - n. ‘Special Resolution’ means special resolution as defined by Section 114 in the Act.

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\*\*Altered vide Special Resolution passed in Extra Ordinary General Meeting of the company held on 19th August, 2025

\*The Company has Adopted new sets of Articles Association vide Special Resolution through Postal Ballot on 20<sup>th</sup> March,2026

- o. 'The Office' means the Registered Office for the time being of the Company.
- p. 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.
- q. 'Proxy' includes Attorney duly constituted under a Power of Attorney.
- r. Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.
- s. The Authorized Share Capital of the Company shall be as prescribed in Clause 5 of the Memorandum of Association of the Company.

## II

### SHARE CAPITAL AND VARIATION OF RIGHTS

1. (a) Subject to the provisions of the Act and these Articles, the shares 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 with the sanction of the Company in a General Meeting to give to any Person the option to call for, or be allotted shares of any class. The authorised, issued and paid up capital of the Company may be altered, subject to the provisions of the Act.

(b) The authorised Share Capital of the Company shall be such amount, and be divided into such shares as may from time to time, be provided in Clause V of Memorandum with the power to reclassify, sub divide, consolidate and increase, and with the power from time to time, to issue any shares of the original capital or any new capital, and upon the subdivision of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.

(c) The Company may issue shares with differential rights (as to voting, dividend or otherwise) attached to them in pursuance of the provisions of the Act and rules made thereunder. The Board of Directors may issue such shares subject to such limits, and upon such terms and conditions, and with such rights and privileges attached thereto, as thought fit and as may be permitted by law.

(d) If at any time the Share Capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, as the case may be, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of that class.

(e) To every such separate meeting, the provisions of these Articles relating to General Meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least 2 (two) Persons holding at least one-third of the issued shares of the class in question

#### 2. Member's right to share Certificates

- i. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:
  - a. One certificate for all his shares; or
  - b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.
- ii. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.

### **One Certificate for joint holders**

iii. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates.

**3. (a)** If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.

(b) For every certificate issued under the last preceding Article, no fee shall be charged by the Company.

(c) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

### **Splitting and consolidation of Share Certificate**

(d) The shares of the Company will be split up/consolidated in the following circumstances:

(i) At the request of the member/s for split up of shares in marketable lot.

(ii) At the request of the member/s for consolidation of fraction shares into marketable lot.

### **Directors may issue new Certificate(s)**

(e) The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.

### **4. Trust not recognized**

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

### **5. Power to pay commission**

1. The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

### **6. Issue of further shares with disproportionate rights**

(i) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 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 a Special Resolution passed at a General Meeting of the holders of the shares of that class.

(ii) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.

7. Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.

8. (i) Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.

(ii) The Company may issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.

(iii) The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:

I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.

(b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.

(d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.

II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.

III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:

(iv) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and

(v) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.

(vi) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied 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 shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.

(vii) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.

(viii) An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.

(ix) If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

## LIEN

### 9. Company's lien on shares

The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

### 10. As to enforcing lien by sale

For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 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 holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.

### 11. Authority to transfer

- a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.
- b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

### 12. Application of proceeds of sale

The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.

## CALLS ON SHARES

### Calls

13. Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the 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 of Directors.

### 14. When call deemed to have been made

- (a) A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.

#### Length of Notice of call

- (b) Not less than thirty days' notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.

### 15. 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 installments and calls due in respect of such share or shares.

### 16. When interest on call or installment payable

If the sum payable in respect of any call or, instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the instalment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part

### 17. Sum payable in fixed instalments to be deemed calls

- (a) If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by instalments at fixed time, whether on account of the share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors, on which due notice had been given,

and all the provisions herein contained in respect of calls shall relate and apply to such amount or instalment accordingly.

#### **Sums payable at fixed times to be treated as calls**

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

#### **18. Payment of call-in advance**

- (a) The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of 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 advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.

#### **Partial payment not to preclude forfeiture**

- (b) 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 thereunder, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency 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 herein after provided.

### **TRANSFER OF SHARES**

#### **19. Transfer**

- a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.
- b. 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 certificate 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 on such terms 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.

- c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.
- e. 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.
- f. Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.

#### **20. Board's right to refuse to register**

- a. The Board, may, at its absolute discretion and without assigning any reason, decline to register
  - 1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or
  - 2. Any transfer or transmission of shares on which the Company has a lien

Provided that registration of any 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 a lien on the shares.

- b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.
- c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.
- d. The provisions of this clause shall apply to transfers of stock also.

## **21. Further right of Board of Directors to decline to recognize any instrument of transfer**

The board may decline to recognise any instrument of transfer unless –

- a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - b. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - c. the instrument of transfer is in respect of only one class of shares.
22. i. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

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

### **ii. No transfer to infant, etc.**

No transfer shall be made to an infant or a person of unsound mind.

### **iii. Endorsement of transfer and issue of certificate**

Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.

### **iv. Custody of transfer**

The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

### **v. Register of members**

- a. 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 any share and all other particulars of shares required by the Act to be entered in such Register.

### **Closure of Register of members**

- b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

### **When instruments of transfer to be retained**

- c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

### **Company's right to register transfer by apparent legal owner**

- vi. The Company shall incur no liability or responsibility whatever in consequence of their 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 the 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 may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company 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 have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.

## **TRANSMISSION OF SHARES**

### **23. Rights to shares on death of a member for transmission**

- a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.
- b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.

Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.

Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.

### **24. Rights and liabilities of person**

1. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as herein, after provided elect either
  - a. to be registered himself as a holder of the share or
  - b. to make such transfer of the share as the deceased or insolvent member could have made.
2. The Board, shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

### **25. Notice by such a person of his election**

- a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
  - b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
  - c. 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 had been signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

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

## **FORFEITURE OF SHARES**

### **28. If call or instalment not paid, notice may be given**

(a) If a member fails to pay any call or instalment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.

#### **Evidence action by Company against shareholders**

(b) On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

### **29. Form of Notice**

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

### **30. If notice not complied with, shares may be forfeited**

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

#### **Notice after forfeiture**

(b) When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

### **31. Boards' right to dispose of forfeited shares or cancellation of forfeiture**

A forfeited or surrendered share may be sold or otherwise disposed of on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.

### **32. Liability after forfeiture**

(a) 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 is payable by him to the Company in respect of the share, 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 received payment in full of all such moneys due in respect of the shares.

(b) The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

### **33. Evidence 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 that 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 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.

#### **34. Non-payment of sums payable at fixed times**

(a) The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by 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.

#### **Validity of such sales**

(b) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register 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 damages only and against the Company exclusively.

### **ALTERATION OF CAPITAL**

#### **Alteration and consolidation, sub-division and cancellation of shares**

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

36. a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association 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 reconvert that stock into fully paid-up shares of the 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 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.
- v. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.
- vi. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.

b. The resolution whereby any share is sub-divided may determine that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.

#### **37. Conversion of shares into stock**

i. The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.

#### **Transfer of stock**

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

#### **Right of stockholders**

- iii. The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

#### **Applicability of regulations to stock and stockholders**

- iv. 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 shares and shareholder in these presents shall include stock and stockholder respectively.
38. (i) The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:
- a. its share capital;
  - b. any capital redemption reserve account; or
  - c. any share premium account.

#### **Surrender of shares**

- (ii) The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.

#### **Power of modify shares**

- (iii) The rights and privileges attached to each class of shares may be modified, commuted, affected, and abrogated in the manner provided in Section 48 of the Act.

#### **Set-off of moneys due to shareholders**

- (iv) 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.

#### **(v) DEMATERIALISATION OF SECURITIES**

##### **a) Definitions**

For the purpose of this Article:

‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;

‘SEBI’ means the Securities and Exchange Board of India;

‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and

‘Security’ means such security as may be specified by SEBI from time to time.

##### **b) Dematerialisation of securities**

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

##### **c) Options for investors**

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

##### **d) Securities in depositories to be in fungible form**

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

**e) Rights of depositories and beneficial owners:**

- (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

**f) Service of documents**

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

**g) Transfer of securities**

Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

**h) Allotment of securities dealt with in a depository**

Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

**i) Distinctive numbers of securities held in a depository**

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.

**j) Register and Index of Beneficial owners**

The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.

**k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository**

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

**CAPITALISATION OF PROFITS**

**39. Capitalisation of Profits**

- a. The Company in General Meeting, may on the recommendation of the Board, resolve:
  - 1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and

2. that such sum be accordingly set free for distribution in the manner specified in under the act amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained under the act either in or towards:
  1. paying up any amount for the time being unpaid on any share held by such members respectively;
  2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or
  3. Partly in the way specified in Sub-clause (1) and partly in that specified in Sub-clause (2).
- c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.

**40. Powers of Directors for declaration of Bonus**

- a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
  1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and
  2. generally do all acts and things required to give effect thereto.
- b. The Board shall have full power:
  1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;
  2. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, 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 the existing shares.
- c. Any agreement made under such authority shall be effective and binding on all such members.

**BUY BACK OF SHARES**

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

**GENERAL MEETINGS**

**42. Annual General Meeting**

The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.

**43. Extraordinary General Meeting**

(i) Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.

**Right to summon Extraordinary General Meeting**

(ii) The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.

**Extraordinary Meeting by requisition**

- (iii) a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.
- b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.

- c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
- d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.
- e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.

**Length of notice for calling meeting**

- (iv) A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice of seven days or less if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

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

- (v) The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.

**Special business and statement to be annexed**

- (vi) All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is 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 Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

**PROCEEDINGS AT GENERAL MEETINGS**

**44. Quorum**

- i. The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:

Number of members upto 1000: 5 members personally present

Number of members 1000-5000: 15 members personally present

Number of members more than 5000: 30 members personally present

**If quorum not present, when meeting to be dissolved and when to be adjourned**

- ii. 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 and at the same time and place or to such other day and to be at 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.

#### **45. Chairman of General Meeting**

The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.

#### **46. When Chairman is absent**

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

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

#### **ADJOURNMENT OF MEETING**

49. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time 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 the adjournment took place.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

#### **VOTING RIGHTS**

50. (i.) At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution.

- (ii) a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.
- b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.
- c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

#### **52. Joint holders**

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

#### **53. Member of unsound mind**

A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy.

#### **54. Taking of poll**

- (i) If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

#### **In what cases poll taken without adjournment**

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

**Business may proceed notwithstanding demand for poll**

(iii) A demand for a poll shall not prevent the continuance of a meeting for 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 person or persons who made the demand.

**Proxies permitted on polls**

(iv) On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.

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

56. i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

iii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

**PROXY**

**57. Instrument of proxy**

a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.

b. A body corporate (whether a company within the meaning of this Act or not) may:

1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;
2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.

c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.

**58. Form of proxy**

Any instrument appointing a proxy may be a two-way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.

**59. Validity of vote by proxy**

i. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

## BOARD OF DIRECTORS

### 60. Number of Directors

Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.

The First Directors of the Company are:

(1) Mr. Ashish Shah

(2) Mr. Vinod Arora

Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.

### 61. Director's remuneration

- a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 and schedule V of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full-time employee, drawing remuneration will not be paid any fee for attending Board Meetings.
  - b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.
  - c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.
  - d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of this Article.
62. The Board may pay all expenses incurred in getting up and registering the company.

### 63. Rights of Directors

- (a) Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.

#### Directors to comply with Section 184

- (b) Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.

#### Directors power of contract with Company

- (c) Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.

#### Register of Directors and KMP and their shareholding

- (d) The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.

**Business to be carried on**

- (e) The business of the Company shall be carried on by the Board of Directors.

**General Powers of Company vested in Directors**

- (f) The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

**Attorney of the Company**

- (g) The Board may appoint at any time and from time to time by a power of attorney, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions 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 the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of anybody or persons whether nominated directly or indirectly 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.

**Power to authorise sub delegation**

- (h) The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.

**Directors' duty to comply with the provisions of the Act**

- (i) The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.

**To acquire and dispose of property and rights**

- (j) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.

**To pay for property in debentures, etc.**

- (k) At their discretion to pay for any property, rights and 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 such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

**To secure contracts by mortgages**

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

**To appoint officers, etc.**

- (m) To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their

powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.

- (n) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.

**To refer to arbitration**

- (o) To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.

**To give receipt**

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

**To act in matters of bankrupts and insolvents**

- (q) To act on behalf of the Company in all matters relating to bankrupts and insolvents.

**To give security by way of indemnity**

- (r) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they 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 commission**

- (s) To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.

**To make contracts etc.**

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

**To make bye-laws**

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

**To set aside profits for provided fund**

- (v) Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.

**To make and alter rules**

- (w) (i) To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.  
  
(ii) And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.

**Powers as to commencement of business**

- (x) Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been 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.

**Delegation of power**

- (y) Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.

### **Borrowing Powers**

- (z) The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already 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, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount up to which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current 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 (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as they may seem expedient.

### **Assignment of debentures**

- (aa) Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

### **Terms of debenture issue**

- (bb) i. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
- ii. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.
- iii. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification

shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.

- iv. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.
- v. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.

#### **Charge on uncalled capital**

- (cc) Any uncalled capital of the Company may be included in or charged by mortgage or other security.

#### **Subsequent assignees of uncalled capital**

- (dd) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.

#### **Charge in favour of Director of indemnity**

- (ee) If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.

#### **Powers to be exercised by Board only at meeting**

- (ff) A. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.
  - i. to make calls on shareholders in respect of money unpaid on their shares;
  - ii. to authorise buy-back of securities under section 68;
  - iii. to issue securities, including debentures, whether in or outside India;
  - iv. to borrow monies;
  - v. to invest the funds of the company;
  - vi. to grant loans or give guarantee or provide security in respect of loans;
  - vii. to approve financial statement and the Board's report;
  - viii. to diversify the business of the company;
  - ix. to approve amalgamation, merger or reconstruction;
  - x. to take over a company or acquire a controlling or substantial stake in another company;
  - xi. to make political contributions;
  - xii. to appoint or remove key managerial personnel (KMP);
  - xiii. to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
  - xiv. to appoint internal auditors and secretarial auditor;
  - xv. to take note of the disclosure of director's interest and shareholding;
  - xvi. to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid-up share capital and free reserves of the investee company;
  - xvii. to invite or accept or renew public deposits and related matters;
  - xviii. to review or change the terms and conditions of public deposit;
  - xix. to approve quarterly, half yearly and annual financial statements or financial results as the case may be.

- xx. such other business as may be prescribed by the Act.
- B. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses iv, v and vi above.
- C. Every resolution delegating the power set out in Sub-clause iv shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.
- D. Every resolution delegating the power referred to in Sub-clause v shall specify the total amount up to which the funds may be invested and the nature of investments which may be made by the delegate.
- E. Every resolution delegating the power referred to in Sub-clause vi above shall specify the total amount up to which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.

#### **Register of mortgage to be kept**

- (gg) The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

#### **Register of holders of debentures**

- (hh) Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty-five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.

#### **Inspection of copies of and Register of Mortgages**

- (ii) The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.

#### **Supplying copies of register of holder of debentures**

- (jj) The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.

#### **Right of holders of debentures as to Financial Statements**

- (kk) Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.

#### **Managing Director's power to be exercised severally**

- (ll) All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.
64. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

#### **Additional Directors**

66. Additional Director

- i. The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 60 above. Any person so appointed as an Additional Director shall hold office up to the date of the next Annual General Meeting of the Company.

### **Managing Director**

- ii. a. Subject to the provisions of Section 196, 197, 2(94), 203 of the Act, the following provisions shall apply:
  - b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.
  - c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.
  - d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.
  - e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.
  - f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 63 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.

### **Whole-time Director**

- iii. a. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Whole-time Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.
- b. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.

### **Alternate Directors**

- iv. (a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause "the Original Director" during his absence for a period of not less than 3 months from India.
- (b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.

### **Independent Directors**

- v. (a) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or applicable Regulations of SEBI(LODR) Regulations, 2015, whichever is higher, from time to time.
- (b) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013.
- (c) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and shall not be liable to retire by rotation.

### **Women Director**

- vi. The Directors shall appoint one women director as per the requirements of section 149 of the Act.

### **Debenture Director**

- vii. Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and reappoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company.

The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.

### **Corporation/Nominee Director**

- viii. a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as "The Corporation") out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or instalments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).
- b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.

The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

- c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may

be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 60.

#### **Disclosure of interest of Directors**

- ix. a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.

Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.

- b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.

#### **Rotation and retirement of Directors**

- x. At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.

#### **Retiring Directors eligible for re-election**

- xi. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.

#### **Which Directors to retire**

- xii. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

#### **Retiring Directors to remain in office till successors are appointed**

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

#### **Power of General Meeting to increase or reduce number of Directors**

- xiv. Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 60 and may also determine in what rotation the increased or reduced number is to retire.

#### **Power to remove Directors by ordinary resolution**

- xv. Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.

#### **Rights of persons other than retiring Directors to stand for Directorships**

xvi. Subject to the provisions of Section 160 of the Act, 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 not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".

#### **Vacation of office by Directors**

xvii. Office of a Director shall be vacated if:

1. he is found to be unsound mind by a Court of competent jurisdiction;
2. he applies to be adjudicated as an insolvent;
3. he is an undischarged insolvent;
4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
5. he fails to pay any call-in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;
6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.
7. he has not complied with Subsection (3) of Section 152
8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.
9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;
10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.
11. he becomes disqualified by an order of a court or the Tribunal
12. he is removed in pursuance of the provisions of the Act,
13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;

Notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:

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

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

##### **67. Meeting of the Board**

- i. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- ii. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

#### **Director may summon meeting**

A Director may at any time request the Secretary to convene a meeting of the Directors and seven days' notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.

68. a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being 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 the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.
- b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.

**69. Right of continuing Directors when there is no quorum**

(i) The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.

**Quorum**

(ii) The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors whichever is higher; 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 the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two 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 to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.

**Qualification of Directors**

(iii) Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.

**Directors may act notwithstanding vacancy**

(iv) The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 69(i) above:

**Chairman or Vice-chairman of the Board**

- (v) a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board.
- b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.

**Casual vacancy**

(vi) If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

**70. Election of Chairman to the Board**

If no person has been appointed as Chairman or Vice Chairman under Article 69(v)(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.

**71. Power to appoint Committees and to delegate**

- a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.

#### **Delegation of powers**

- b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.
- c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.

#### **Proceedings of Committee**

- d. The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.

#### **72. Election of Chairman of the Committee**

- a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.
- b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.

73. a. A Committee may meet and adjourn as it thinks fit.

- b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

#### **74. Acts done by Board or Committee valid, notwithstanding defective appointment, etc.**

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

#### **75. Resolution by circulation and Minutes**

(i) Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

#### **Minutes**

- (ii) a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.
- b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

#### **77. Key Managerial Personnel**

Subject to the provisions of the Act, —

- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.

**Manager**

Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.

**Secretary**

The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.

- 78. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officers shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

**DIVIDENDS AND RESERVES**

**80. Rights to Dividend**

- i. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.

**Declaration of Dividends**

- ii. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

**What to be deemed net profits**

- iii. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

**81. Interim Dividend**

- i. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

**Dividends to be paid out of profits only**

- ii. 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.

**82. Reserve Funds**

- a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.

**83. Method of payment of dividend**

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

- b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.
- c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.

**84. Deduction of arrears**

- (a) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls in relation to the shares of the Company

**Adjustment of dividend against call**

- (b) Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.

**85. Payment by cheque or warrant**

- a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.
- b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**86. Retention in certain cases**

- (A) The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.

**Receipt of joint holders**

- (B) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:

- i. transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and
- ii. Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.

- (C) Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.

**87. Notice of Dividends**

Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

**88. Dividend not to bear interest**

- (a) No dividend shall bear interest against the Company.

**Unclaimed Dividend**

- (b) No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.

**Transfer of share not to pass prior Dividend**

- (c) Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

**ACCOUNTS**

**Books of account to be kept**

89. a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expanded by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.
- b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.
- c. The books of accounts shall be open to inspection by any Director during business hours.

**Where books of account to be kept**

- d. The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.

**Inspection by members**

- e. The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

**Statement of account to be furnished to General Meeting**

- f. The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.

**Financial Statements**

- g. Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.

**Authentication of Financial Statements**

- h. i. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.
- ii. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

**Auditors Report to be annexed**

- i. The Auditor's Report shall be attached to the financial statements.

**Board's Report to be attached to Financial Statements**

- j. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.
- k. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
- l. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.
- m. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 88(h).
- n. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (j) to (n) of this Article are complied with.

### **Right of member to copies of Financial Statements**

- o. The Company shall comply with the requirements of Section 136.

### **Accounts to be audited**

- p. i. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.
- ii. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.
- iii. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.
- iv. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.
- v. The Company shall, within seven days of the Central Government's power under Subclause (iv) becoming exercisable, give notice of that fact to that Government.
- vi. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.  

Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and
- 2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.
- vii. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
- viii. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.
- ix. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- x. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.

### **Audit of Branch Offices**

- q. The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.

### **Remuneration of Auditors**

- r. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.

### **Rights and duties of Auditors**

- s. a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.
- b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

- c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:
1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and
  2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.
- d. The Auditor's Report shall also state:
- (a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;
  - (b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
  - (c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;
  - (d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;
  - (e) whether, in his opinion, the financial statements comply with the accounting standards;
  - (f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;
  - (g) whether any director is disqualified from being appointed as a director under subsection (2) of section 164;
  - (h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
  - (i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
  - (j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;
  - (k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
  - (l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.
- f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

#### **Accounts whether audited and approved to be conclusive**

- t. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.

### **WINDING UP**

#### **Winding up**

90. i. Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the

articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

#### **Division of assets of the Company in specie among members**

- ii. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and 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 contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares 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**

##### **Directors' and others' right to indemnity**

91. a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.
- b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.

Subject to the provisions of Section 197 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 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 and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages 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 of for any 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 happens through his own act or default.

#### **OTHERS**

##### **SECURITY CLAUSE**

92. a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade 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 Directors, will be inexpedient in the interests of the Company to communicate to the public.
- b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of 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 matters which may come to his knowledge in the discharge of 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.

#### **REGISTERS, INSPECTION AND COPIES THEREOF**

93. a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days' notice to the company about his intention to do so.
- b. Any Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.

#### **GENERAL AUTHORITY**

94. Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.

#### **AUTHENTICATION OF DOCUMENTS**

##### **Authentication of document and proceeding**

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

#### **ANNUAL RETURNS**

##### **Annual Returns**

96. The Company shall make the requisite annual return in accordance with Section 92 of the Act.

#### **SERVICE OF NOTICE**

##### **Service of documents on the Company**

97. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.

##### **How documents to be served to members**

98. a. A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.
- b. 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.
- c. Where a document is sent by post:
- service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment 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, and such service shall be deemed to have been effected;
  - in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and
  - in any other case, at the time at which the letter should be delivered in the ordinary course of post.

##### **Members to notify address in India**

99. Registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

##### **Service on members having no registered address in India**

100. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

#### **Service on persons acquiring shares on death or insolvency of members**

101. A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so 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.

#### **Notice valid though member deceased**

102. Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.

#### **Persons entitled to Notice of General Meeting**

103. Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;

- (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
- (b) the auditor or auditors of the company; and
- (c) every director of the company.

Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

#### **Advertisement**

104. a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly 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.
- b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.

#### **Transference, etc. bound by prior notices**

105. 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 previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.

#### **How notice to be signed**

106. Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

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

Names, addresses, Description and Occupation of Subscribers	No. of Equity Shares agreed to be taken by each Subscriber	Name, Address, Description Occupation & signature of Witness
<p><b>1. Ashish Shah</b> S/o, Virendrabhai Bhogilal Shah 2, Jain Merchants Society, Paldi, <b>Ahmedabad – 380 007.</b> Business Sd/ - A.V. Shah</p> <p><b>2. Vinod Arora</b> S/o, Shri Parmanand Tekchand Arora, 20, 'Sarathi', Near Drive-In-Cinema, <b>Ahmedabad – 380 052.</b> Business Sd/- V.P. Arora</p>	<p>100 (One Hundred)</p> <p>100 (One Hundred)</p>	<p>Common Witness to both <b>Mukesh Chokshi</b> S/o, Rasiklal Chokshi 1455, Toda' s Pole, Sheth' s Pole, Mandvi' s Pole, Ahmadabad – 380 001. Chartered Accountant Sd/- Mukesh Chokshi</p>
<b>Total :</b>	<b>200 (Two Hundred)</b>	

Place : Ahmadabad Dated this 9<sup>th</sup> day of March, 1988