

# **UNDER THE COMPANIES ACT, 2013**

## **COMPANY LIMITED BY SHARES**

**(Incorporated under the Companies Act, 1956)**

## **ARTICLES OF ASSOCIATION**

**OF**

# **Supra Pacific Management Consultancy Limited**

*(Adopted as Articles of Association of the company by replacing existing Articles 1 to 194 with new set of Articles 1 to 149 by passing Special Resolution by the Shareholders vide Postal Ballot dated 14.07.2020 which shall be deemed to be passed on 26.8.2020)*

## **PRELIMINARY**

The regulations contained in Table F in Schedule I to the Companies Act, 2013 shall apply to the Company except as hereafter provided. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

## **INTERPRETATION**

I. In these regulations—

- (i) “The Act” means the Companies Act, 2013,
- (ii) “Section” means a Section of the Companies Act, 2013
- (iii) The Company means “Supra Pacific Management Consultancy Limited”
- (iv) “The office means the registered office for the time being of the Company.
- (v) “Shareholder” or “Member” means
  - (i) the subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;
  - (ii) every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;

- (iii) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository
- (vi) “The Register” means The Register of Members and other registers to be kept by the company under the provisions of the Companies Act, 2013 and rules made thereunder.
- (vii) “The Registrar” means a Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar or an Assistant Registrar, having the duty of registering companies and discharging various functions under this Act
- (viii) “Year” and “Month” means year and month according to the English Calendar.
- (ix) “In Writing” or “Written” includes printing, lithography and typewriting and Signature includes initials, thumb mark or other capable identification.
- (x) “Ordinary or special resolution” means an ordinary resolution or as the case may be special resolution referred to in Section 114 of the Act.
- (xi) “General Meeting” means a meeting of the members.
- (xii) “Annual General Meeting” means a General Meeting of the members held in accordance with Section 96 of the Act.
- (xiii) “Auditors” or “Cost Auditors” means and includes those persons appointed as such for the time being by the company.
- (xiv) “Director” means a director appointed to the Board of the company
- (xv) “Board of Directors” or “Board” means the collective body of the directors of the company
- (xvi) “The Managing Director” or “Joint Managing Director” or “Executive Director” or “Technical Director” or “Administrative Directors” means the Managing Director, Joint Managing Director, Executive Director or the Technical Director and Administrative Directors for the time being of the Company.
- (xvii) “Dividend” includes any interim dividend
- (xviii) “Seal” means the Common Seal for the time being of the Company
- (xix) “Equity share capital” means all share capital which is not preference share capital
- (xx) “Paid-up share capital” or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company but does not include any other amount received in respect of such shares, by whatever name called.
- (xxi) “Financial year” means the period ending on the 31st day of March every year or such period as may be prescribed by the Government of India from time to time.

(xxii) "Beneficial Owner" shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.

(xxiii) "Depository" shall have the meaning assigned thereto by Section 2(1) (e) of the Depositories Act, 1996.

(xxiv) "Securities Exchange Board of India (SEBI)" means the Securities Exchange Board of India established under Section 3 of the Securities Exchange Board of India Act, 1992.

(xxv) "These presents" or "These Articles" or "These Regulations" means these Articles of Association of the Company as they may stand or altered from time to time and includes the Memorandum where the context requires.

(xxvi) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

## **2. BUSINESS**

The Business of the Company may comprise all or any part of the business objects mentioned in the Memorandum of Association of the Company.

## **3. SHARE CAPITAL**

The share capital of the Company shall be as mentioned in Clause V of the Memorandum of Association of the Company.

## **4. KINDS OF SHARE CAPITAL**

The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

### **(a) Equity share capital:**

- (i) with voting rights; and / or
- (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and

### **(b) Preference share capital**

## **5. SHARES AT THE DISPOSAL OF DIRECTORS**

Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the 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.

## **6. SHARE CERTIFICATES**

Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, —

- (a) one certificate for all his/her shares without payment of any charges; or
- (b) several certificates, each for one or more of his/her shares upon payment of twenty rupees for each certificate after the first.

## **7. ISSUANCE OF SHARE CERTIFICATES**

No certificate of any share or shares held in the company shall be issued, except-

- (a) in pursuance of a resolution passed by the Board or a Committee of the Board; and
- (b) on surrender to the company of the letter of allotment or fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation, or in cases of issue of bonus shares:

Provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as to seek supporting evidence and indemnity and the payment of out-of-pocket expenses incurred by the company in investigating evidence, as it may think fit.

## **8. SEAL & SIGNATURE OF SHARE CERTIFICATES**

Every share certificate shall be issued under the seal of the company, which shall be affixed in the presence of and signed by-

- (a) two directors duly authorized by the Board of Directors of the company for the purpose or the committee of the Board, if so authorized by the Board; and
- (b) the secretary or any person authorized by the Board for the purpose:

Provided that, in companies wherein a Company Secretary is appointed under the provisions of the Act, he shall be deemed to be authorised for the purpose of this rule:

## **9. MODE OF SIGNATURE OF SHARE CERTIFICATES**

A director shall be deemed to have signed the share certificate if his signature is printed thereon as a facsimile signature by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, or digitally signed, but not by means of a rubber stamp, provided that the director shall be personally responsible for permitting the affixation of his signature thus and the safe custody of any machine, equipment or other material used for the purpose.

## **10. SHARE CERTIFICATES FOR JOINT HOLDERS**

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

## **11. ISSUE OF NEW SHARE CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED**

If a certificate is 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 accordance with the provisions of the Act and rules.

## **12. TRUST NOT RECOGNISED**

Except as required by law, no person shall be recognised by the company as holding any share upon any trust and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share or(except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

## **13. PROVISIONS AS TO ISSUE OF CERTIFICATES TO APPLY TO DEBENTURES, ETC.**

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

## **14. POWER TO PAY COMMISSION IN CONNECTION WITH SECURITIES ISSUED**

(i) The company may exercise the powers of paying commissions conferred by provisions of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and rules made there under.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under the Act.

## **15. MODE OF PAYMENT OF COMMISSION**

The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

## **16. VARIATION OF MEMBER'S RIGHTS**

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act and whether or not the company is being wound up, be varied with the consent in writing of 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.

## **17. PROVISIONS AS TO GENERAL MEETINGS TO APPLY MUTATIS MUTANDIS TO EACH MEETING.**

To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

## **18. ISSUE OF FURTHER SHARES NOT TO AFFECT RIGHTS OF EXISTING MEMBERS.**

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

## **19. POWER TO ISSUE PREFERENCE SHARES**

Subject to the provisions of the Act and subject to the provisions on which any shares may have been issued the Company may issue one or more classes of preference shares.

## **20. FURTHER ISSUE OF SHARES**

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

- (a) persons who at the date of offer are holders of equity shares of the Company such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
- (b) employees under any scheme of employee's stock option; or
- (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

## **21. MODE OF FURTHER ISSUE OF SHARES**

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

## **22. DEBENTURES/ BONDS**

The company shall issue secured/unsecured debentures, Bonds in accordance with the provisions of the Act and Rules made thereunder as applicable time to time.

## **23. NOMINATION BY SECURITIES HOLDERS**

Any holder of securities of a company may, at any time nominate in prescribed form any person as his nominee in whom the securities shall vest in the event of his death. Where the nomination is made in respect of the securities held by more than one person jointly, all joint holders shall together nominate any person as nominee. The request for nomination should be recorded by the Company within a period prescribed under the Act, Rules and other applicable clauses of the listing agreement, if any from the date of receipt of the duly filled and signed nomination form. In the event of death of the holder of securities or where the securities are held by more than one person jointly, in the event of death of all the joint holders, the person nominated as the nominee may upon the production of such evidence as may be required by the Board, elect, either-

- (a) to register himself as holder of the securities; or
- (b) to transfer the securities, as the deceased holder could have done.

Where the nominee is a minor, the holder of the securities, making the nomination, may appoint a person in form specified under the rules, who shall become entitled to the securities of the company, in the event of death of the nominee during his minority.

## **24. LIEN ON SHARES**

(i) The company shall have a first and paramount lien—

- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

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

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

## **25. ENFORCING LIEN BY SALE**

The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

## **26. AS TO ENFORCING A LIEN BY SALE**

- (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

## **27. PURCHASER TO BE REGISTERED HOLDER**

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

## **28. VALIDITY OF COMPANY'S RECEIPT**

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

## **29. APPLICATION OF THE PROCEEDS OF THE SALE**

- (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the shares at the date of the sale.

## **30. OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN**

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

## **31. BOARD MAY EXTEND TIME FOR PAYMENT**

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

### **32. LIEN TO EXTEND TO DIVIDENDS, ETC.**

The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company, *Provisions as to lien to apply mutatis mutandis to debentures etc.*

### **33. THE BOARD MAY MAKE CALLS ON SHARES**

- (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company at the time or times and place so specified, the amount called on his shares.
- (iii) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.
- (iv) a call may be revoked or postponed at the discretion of the Board.

### **34. WHEN CALL DEEMED TO HAVE BEEN MADE**

A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

- (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- (iii) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

### **35. EFFECT OF NON PAYMENT OF SUMS**

In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

### **36. PAYMENT OF CALLS IN ADVANCE**

The Board—

- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the

company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Provisions as to calls to apply mutatis mutandis to debentures, etc.

### **FORFEITURE OF SHARES**

**37.** 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.

### **38. FORM OF NOTICE FOR FORFEITURE**

The notice for forfeiture 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.

### **39. IF NOTICE NOT COMPLIED WITH SHARES MAY BE FORFEITED**

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

### **40. RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE**

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

### **41. SALE OF FORFEITED SHARES**

- (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

### **42. ENTRY OF FORFEITURE IN REGISTER OF MEMBERS**

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

#### **43. CANCELLATION OF FORFEITURE**

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

#### **44. EFFECT OF FORFEITURE**

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

#### **45. TRANSFeree TO BE REGISTERED AS HOLDER**

The transferee shall thereupon be registered as the holder of the share

#### **46. TRANSFeree NOT AFFECTED**

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, re-allotment or disposal of the share.

#### **47. VALIDITY OF SALES**

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers herein above given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

#### **48. CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES**

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

#### **49. SURRENDER OF SHARE CERTIFICATES**

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

#### **50. SUMS DEEMED TO BE CALLS**

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

## **51. PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

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

## **TRANSFER AND TRANSMISSION OF SHARES**

### **52. INSTRUMENT OF TRANSFER TO BE DEPOSITED**

(i) The instrument of transfer of any share in the company shall be in the prescribed form and can be executed by or on behalf of both the transferor and transferee every instrument of transfer with the date of its execution specified thereon shall be delivered to the company within sixty days from the date of such execution.

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

### **53. POWER OF THE BOARD TO REFUSE TO REGISTER THE TRANSFER**

The Board may, subject to the right of appeal conferred by the Act decline to register—

- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.

#### **The Board may further decline to recognise any instrument of transfer unless**

- (a) the instrument of transfer is in the form as prescribed in rules made under the Act;
- (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.

### **54. TRANSMISSION OF SHARES**

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

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

### **55. TRANSMISSION CLAUSE**

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

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.

## **56. ELECTION**

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

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) 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.

## **57. AS TO TRANSFER OF SHARES TO DECEASED OR BANKRUPT MEMBER**

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.

## **58. INCREASE OF CAPITAL**

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.

## **59. CONSOLIDATION OF SHARES**

Subject to the provisions of the Act, the company may, by ordinary resolution, —

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) 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.

## **60. CONVERSION OF SHARES INTO STOCKS**

Where shares are converted into stock: —

- (a) 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.

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

## **61. REDUCTION OF CAPITAL**

The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, —

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account and or any other reserve in the nature of share capital.

## **62. JOINT HOLDERS**

Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:

- (a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.
- (b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him / her jointly with any other person.
- (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
- (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.
- (e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such

joint-holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares.

- (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.
- (f) The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

### **63. POWER TO CLOSE REGISTER OF MEMBERS OR DEBENTURE HOLDERS OR OTHER SECURITY HOLDERS**

Company may close the register of members or the register of debenture holders or the register of other security holders for any period or periods not exceeding in the aggregate forty-five days in each year, but not exceeding thirty days as per the Act, Rules or one time, subject to giving of previous notice of at least seven days or such lesser period as may be specified by the Act, Rules and the Securities and Exchange Board of India.

### **64. CAPITALISATION OF PROFITS**

The Company by ordinary resolution 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 amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

### **65. CAPITALISED AMOUNTS HOW APPLIED**

The capitalised amounts shall not be paid in cash but shall be applied, either in or towards:

- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (b) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b). A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

### **66. BOARD'S POWER TO ISSUE FRACTIONAL CERTIFICATE/COUPON ETC.**

The Board shall have power—

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

#### **67. AGREEMENT BINDING ON MEMBERS**

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

#### **68. BUY-BACK OF SHARES**

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

#### **69. DEMATERIALISATION OF SHARES**

The Company may convert its securities into dematerialised form or re-materialise the securities and issue its securities in physical form in accordance with the provisions of this Act or in dematerialised form in accordance with the provisions of the Depositories Act, 1996 and the regulations made there under.

### **GENERAL MEETINGS**

#### **70. ANNUAL GENERAL MEETING**

The company shall in each year hold in addition to any other meetings, a general meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of one Annual General Meeting of a company and that of the next all general meetings other than Annual General Meeting shall be called Extraordinary General Meeting.

#### **71. EXTRAORDINARY GENERAL MEETING**

- (i) The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
- (ii) 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.

### **PROCEEDINGS AT GENERAL MEETINGS**

#### **72. PRESENCE OF QUORUM**

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.

No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant. The quorum for a general meeting shall be as provided in the Act and Rules.

#### **73. CHAIRPERSON OF THE MEETINGS**

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

**74. DIRECTORS TO ELECT A CHAIRPERSON**

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.

**75. MEMBERS TO ELECT A CHAIRPERSON**

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, by poll or electronically, choose one of their members to be Chairperson of the meeting.

**76. CASTING VOTE OF CHAIRPERSON AT GENERAL MEETING**

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

**77. MINUTES OF PROCEEDINGS OF MEETINGS AND RESOLUTIONS PASSED BY POSTAL BALLOT**

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

**78. CERTAIN MATTERS NOT TO BE INCLUDED IN MINUTES**

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

- (a) is, or could reasonably be regarded, as defamatory of any person; or
- (b) is irrelevant or immaterial to the proceedings; or
- (c) is detrimental to the interests of the Company

**79. DISCRETION OF CHAIRPERSON IN RELATION TO MINUTES**

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

**80. REGISTRATION OF RESOLUTIONS AND AGREEMENTS**

The Company shall comply with the provisions of the Act relating to registration of certain resolutions and agreements.

**81. MINUTES TO BE EVIDENCE**

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

**82. INSPECTION OF MINUTE BOOKS OF GENERAL MEETINGS**

The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:

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

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

### **83. MEMBERS MAY OBTAIN COPY OF MINUTES**

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

### **84. ADJOURNMENT OF MEETING**

The Chairperson may, *suomotu*, 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 save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting

### **85. 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.

### **86. VOTING THROUGH ELECTRONIC MEANS**

A member may exercise his vote at a meeting by electronic means in accordance with the Act, rules and shall vote only once.

### **87. VOTE OF JOINT- HOLDERS**

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.

### **88. SENIORITY OF NAMES**

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

### **89. HOW MEMBERS NON COMPOS MENTIS AND MINOR MAY VOTE**

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

### **90. VOTES IN RESPECT OF SHARES OF DECEASED OR INSOLVENT MEMBERS, ETC.**

Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time

of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

#### **91. BUSINESS MAY PROCEED PENDING POLL**

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

#### **92. RESTRICTION ON VOTING RIGHTS**

No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.

#### **93. RESTRICTION ON EXERCISE OF VOTING RIGHTS IN OTHER CASES TO BE VOID**

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

#### **94. EQUAL RIGHTS OF MEMBERS**

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

### **PROXY**

#### **95. MEMBER MAY VOTE IN PERSON OR OTHERWISE**

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

#### **96. PROXIES WHEN TO BE DEPOSITED**

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, and in default the instrument of proxy shall not be treated as valid.

#### **97. FORM OF PROXY**

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

#### **98. PROXY TO BE VALID NOTWITHSTANDING DEATH OF THE PRINCIPAL**

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

## BOARD OF DIRECTORS

### **99. NUMBER OF DIRECTORS**

Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen).

### **100. DIRECTORS NOT LIABLE TO RETIRE BY ROTATION**

The Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation.

### **101. SAME INDIVIDUAL MAY BE CHAIRPERSON AND MANAGING DIRECTOR / CHIEF EXECUTIVE OFFICER**

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

### **102. REMUNERATION OF DIRECTORS**

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, Rules 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.

### **103. REMUNERATION TO REQUIRE MEMBER'S CONSENT**

The remuneration payable to the directors, including any managing or whole-time Director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act, Rules and by a resolution passed by the Company in general meeting.

### **104. EXECUTION OF 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.

### **105. APPOINTMENT OF ADDITIONAL DIRECTORS**

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

Such person shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act and Rules.

### **106. APPOINTMENT OF ALTERNATE DIRECTORS**

The Board of Directors of a company appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an Alternate Director for a Director during his absence for a period of not less than three months from India:

Provided that no person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act: Provided further that an Alternate Director shall not hold office for a period longer than that permissible to the Director in whose place he has been appointed and shall vacate the office if and when the Director in whose place he has been appointed returns to India:

Provided also that if the term of office of the original Director is determined before he so returns to India, any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the original, and not to the alternate Director.

#### **107. NOMINEE DIRECTORS**

The Board may appoint any person as a Director nominated by any institution in pursuance of the provisions of any law for the time being in force.

#### **108. APPOINTMENT OF DIRECTORS IN CASUAL VACANCY**

If the office of any Director appointed by the company in general meeting is vacated before his term of office expires in the normal course; the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board:

Provided that any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.

#### **109. QUALIFICATION OF DIRECTORS**

A Director need not hold any shares in the Company to qualify him for the office of a Director of the Company

#### **110. INDEPENDENT DIRECTORS**

- (1) The Board may appoint such number of Independent Directors as required under the provisions of the Act or applicable Clauses of the listing agreement whichever is higher.
- (2) Independent directors shall possess such qualifications as required under the provisions of the Act and applicable clauses of the listing agreement.
- (3) The Independent Directors shall be appointed for such period as prescribed under relevant provisions of the Act and Listing agreement and shall not be liable to retire by rotation.

#### **111. WOMEN DIRECTOR**

The company shall have at least one Woman Director as per the requirements of the Act and rules.

#### **112. REMOVAL OF DIRECTORS**

The company may, by ordinary resolution, remove a Director, not being a Director appointed by the Tribunal before the expiry of the period of his office after giving him a reasonable opportunity of being heard. A special notice shall be required of any resolution, to remove a Director under this clause, or to appoint somebody in place of a Director so removed, at the meeting at which he is removed

#### **113. DIRECTORS NOT TO ACT WHEN NUMBER FALLS BELOW MINIMUM**

When the number of Directors in Office falls below the minimum above fixed, the Directors, shall not act except in emergencies or for the purpose of filling up vacancies or for summoning a general

meeting of the Company and so long as the number is below the minimum they may so act notwithstanding the absence of the necessary quorum.

**114. THE FIRST DIRECTORS ARE:**

- 1) SHRI. KISHOR AMICHANO SHAH
- 2) SMT. JYOTI KISHOR SHAH

**115. BORROWING POWERS**

Subject to the provisions of Section 73, 179 and 180 and other provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles ,the Directors shall have the power from time to time at their discretion to accept deposits from members of the Company either in advance on calls or otherwise and generally to raise or borrow or secure the payment of any sum of money for the purpose of the Company provided that the aggregate of the amount borrowed (apart from temporary loans as defined in Section 180 of the Act obtained from the Company's bankers in the ordinary course of business) and remaining outstanding and undischarged at the time, shall not, without the consent 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 a part for any specific purpose.

Subject to the provisions of the Act and these Articles, the Board may raise and secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects at they think fit and in particular by the issue of bonds perpetual or redeemable debentures, debenture stock or any mortgage or charge or other security on the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

**POWERS OF THE BOARD**

**116. GENERAL POWERS OF THE COMPANY VESTED IN THE BOARD**

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

**117. PROCEEDINGS 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.
- iii. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- iv. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

**118. COMMITTEES OF THE BOARD**

- i. 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.
- ii. 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.
- iii. A committee may elect a Chairperson of its meetings.
- iv. 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.
- v. A committee may meet and adjourn as it thinks fit.
- vi. 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.

**119.** 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.

**120.** The quorum at a meeting of the Directors shall be as prescribed by the Act and Rules.

**121. PASSING OF RESOLUTION BY CIRCULATION**

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

**122. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER (KMP)**

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.

**123. STATUTORY REGISTERS**

The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, at the registered office of the Company by the persons entitled thereto on payment, where

required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Act and Rules.

#### **124. ELECTRONIC REGISTERS**

Without prejudice to any other provisions of the Act and Rules, the company may keep any document, record, register, minutes, etc., —

- (a) required to be kept by the company; or
- (b) allowed to be inspected or copies to be given to any person by the company under the Act, may be kept or inspected or copies given, as the case may be, in electronic form.

#### **125. FOREIGN REGISTER**

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

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

#### **126. 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 or one director and the secretary or one director and such other persons as the Board may appoint for the purpose shall sign every instrument to which the seal is affixed. Provided nevertheless, that any instrument bearing the seal of the company and issued for valuable consideration shall be binding on the company notwithstanding any irregularities touching the authority of the board to issue the same.

#### **DIVIDEND AND RESERVES**

127. The company in general meeting may declare dividend, but no dividend shall exceed the amount recommended by the Board.
128. Subject to the provisions of the Act, 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.
129. 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 equalising 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, thinks fit.
130. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

## **DIVIDEND DISTRIBUTION**

**131.** (i) 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.

(ii) 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.

(iii) 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.

**132.** 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.

## **MODE OF PAYMENT OF DIVIDEND**

**133.** (i) 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.

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

(iii) Dividend can also be paid electronically (by way of NECS or other modes approved by the Reserve Bank of India).

**134.** Any one or 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.

**135.** 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.

**136.** No dividend shall bear interest against the company.

## **137. WAIVER OF DIVIDENDS**

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

## **138. MAINTENANCE OF BOOKS OF ACCOUNTS**

The company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of

the state of the affairs of the company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting:

Provided that all or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place:

Provided further that the company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.

#### **139. BRANCH ACCOUNTS**

Where a company has a branch office in India or outside India, it shall be deemed to have complied with the provisions of the Act, if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarised returns periodically are sent by the branch office to the company at its Registered Office.

#### **140. INSPECTION OF BOOKS OF ACCOUNT**

The books of account and other books and papers maintained by the company within India shall be open for inspection at the registered office of the company or at such other place in India by any director during business hours, and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any director subject to such conditions as may be prescribed:

Provided that the inspection in respect of any subsidiary of the company shall be done only by the person authorized in this behalf by a resolution of the Board of Directors.

#### **141. THE BOARD SHALL FROM TIME TO TIME DETERMINE**

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.

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.

#### **142. RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT**

A copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a company in its general meeting shall be sent to every member of the company, to every trustee for the debenture holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting and the provisions of this sub section shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements:

The company shall also place its financial statements including consolidated financial statements, if any, and all other documents required to be attached thereto, on its website, which is maintained by or on behalf of the company. The company shall place separate audited accounts in respect of each of its subsidiary on its website. A company shall also allow every member or trustee of the holder of any debentures issued by the company to inspect the documents stated above at its registered office during business hours.

#### **143. AUDIT**

The company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth Annual General Meeting and thereafter till the conclusion of every sixth meeting:

Provided that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be prescribed, shall be obtained from the auditor:

Provided further that the certificate shall also indicate whether the auditor satisfies the criteria provided in the Act

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar in line with requirements of the Act and Rules.

#### **144. SERVICE OF DOCUMENTS.**

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:

Provided that 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.

Provided that 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.

*Explanation.* —for the purposes of this section, the term “courier” means a person or agency which delivers the document and provides proof of its delivery.

#### **145. WINDING UP**

Subject to the Applicable Provisions of the Act and Rules

- (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.

## **146. INDEMNITY**

Subject to the provisions of the Act:

- (a) Every Director, Managing Director, Whole time 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 expense) which such Director, Manager, Secretary and Officer or Employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Manager, Secretary, Officer or Servant or in any way in the discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims.
- (b) Every Director, Managing Director, Manager, Secretary or other Officer and Employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under the Act in which relief is given to him by the Court.

## **147. INSURANCE**

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

## **148. SECRECY CLAUSE**

- (a) 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 Directors, 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 matters 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 so to do 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 the provisions in these present contained.
- (b) No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be in expedient in the interest of the Company to disclose

#### 149. GENERAL POWER

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

We, the several persons, whose names and address are subscribed below, are desirous of being formed into a Company in pursuance of the Articles of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names:

Name, address, and descriptions of the subscribers.	Number of shares taken by each subscriber	Signature of Subscribers.	Name, address and description of witness.
Mr. Kishorkumar Amichand Shah. 131, Vardhaman Nagar S.V. Road. Narsing Lane. Malad (west) Bombay 400 064. Business Amichand Shah	5 (Five) Equity Shares Five	Sd/- Kashan	Sd/- Arya Mr. Ravindra V. Joshi E-67, Satyam Bldg Fateh Bagh S.V. Road Kandivali (w) Bombay - 400 064 Pratap Singh (a. Secretary)
Mrs. Jyoti Kishor Shah 131, VARDHAMAN NAGAR. S.V. ROAD. NARsing LANE. MALAD (WEST) BOMBAY - 400 064 House wife Kishorkumar Shah	FIVE	J. kishor Sd/-	
	10 (Ten) Equity Shares		

Bombay, Dated this 31<sup>st</sup> day of

March 1986.