

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ARNOLD HOLDINGS LIMITED

1. IN THESE REGULATIONS:

- (a) The "Act" means the Companies Act, 2013 except to the extent the provision which are still applicable as per the Companies Act, 1956.
- (b) "Company" means **Arnold Holdings Limited**
- (c) "the Seal" means the common seal of the company.
- (d) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

APPLICATION OF TABLE "F"

- 2. Subject as hereinafter otherwise provided, the regulations contained in Table - F in the First Schedule to the Companies Act, 2013, shall apply to this Company so far as they are applicable to private companies except so far as they have been impliedly or expressly modified by what is contained in the Articles hereinafter mentioned.
- 3. The following regulations of the aforesaid Table - F shall not apply for the management of the Company, that is to say Regulations 5, 27, 48, 51, 77 and 78.

PUBLIC COMPANY

- 4. As per section 2(71) of Companies Act, 2013 "public company" means a company which -
 - (a) Is not a private company;

- (b) Has a minimum paid up share capital of five lakh rupees or such higher paid-up 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 purpose of this Act even where such subsidiary company continue to be a private company in its article;

SHARE CAPITAL

5. (a) The Authorised Share Capital of the Company will be such amount and such description as shall have been stated in Clause V of the Memorandum of Association of the Company from time to time. The Company shall have the power to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges, or conditions or restrictions in such manner as may for the time being be permitted by the Articles of Company or the legislative provisions for the time being in force in that behalf.
- (b) The minimum paid up capital of the Company shall be Rs.5,00,000/- (Rupees Five Lakh only).

SHARE CAPITAL AND VARIATION OF RIGHTS

6. Subject to the provisions of the Act and these Articles, the shares in the capital of the company for the time being (including any shares forming part of any increased 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 par or at a premium and at such time as they may from time to time think fit and proper.
7. (i) 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 shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (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, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
8. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. The provisions of Articles (6) and (7) shall *mutatis mutandis* apply to debentures of the company.
9. 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.

10. 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. 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.
11. 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 *pari passu* therewith.

ISSUE OF PREFERENCE SHARES

12. Subject to the provisions of the Act, any preference shares 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 on such terms and in such manner as the Company before the issue of the shares, may by special resolution determine.

REDUCTION OF CAPITAL

13. The Company may subject to the applicable provisions of the Act from time to time by Special Resolution, reduce its share capital and any Capital Redemption Reserve Account or Securities 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 upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

CALLS ON SHARES

14. (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) A call may be revoked or postponed at the discretion of the Board.
15. 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.
16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
17. (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.
18. (i) 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.
- (ii) 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.

19. The Board 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 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.

FURTHER ISSUE OF SHARE CAPITAL

20. (1) Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further Shares, then
- (a) Such further Shares shall be offered to the persons who, at the date of the offer, are holders of the equity Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on these Shares at that date.
 - (b) The offer shall be made by a notice specifying the number of Shares offered and limiting a time not being less than thirty 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 person and the notice referred to in sub-clause (b) shall contain a statement of this right.
 - (d) 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 as they may think, most beneficial to the Company.
- (2) Notwithstanding anything contained in sub-clause (1), the further Shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.
- (a) if a Special Resolution to that effect is passed by the Company in General Meeting; or
 - (b) where no such Resolution is passed, if the votes cast (whether on a show of hands, or on poll, as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by

Members who being entitled to do so, vote in person, or where proxies are allowed, by Proxy, exceed the votes, if any cast against the proposal by Members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

- (3) Nothing in sub-clause (c) of (1) hereof above shall be deemed:
 - (a) to extend the time within which the offer should be accepted; or
 - (b) to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.
- (4) Nothing in this Article shall apply to the increase of the subscribed capital cause by the exercise of an option attached to the Debentures
 - (i) to convert such Debentures or loans into Shares ; or
 - (ii) to subscribe for Shares

PROVIDED THAT the terms of issue of such Debentures or the terms of such loans include a term provided for such option and such term:

- (a) Either has been approved by the Central Government before the issue of the Debentures or the raising of the loans or is in conformity with Rules; if any, made by that Government in this behalf; and
- (b) In the case of Debentures or loans or other than Debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in General Meeting before the issue of the loans.

DEMATERIALIZATION OF SECURITIES

- 21. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize it's existing securities, rematerialize it's securities held in the depositories and/or offer it's fresh securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

OPTION TO RECEIVE SECURITIES CERTIFICATES OR HOLD SECURITIES WITH DEPOSITORY

22. Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository.
23. 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 records the name of the allottees as the Beneficial Owner of the security.

SECURITIES IN DEPOSITORIES

24. 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 Owner.

RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS

25. Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.
26. Save as otherwise provided here in above, the Depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the security held by it.
27. 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 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.

BENEFICIAL OWNER DEEMED AS ABSOLUTE OWNER

28. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or 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, on the part of any other person whether or not it has expressed or implied notice thereof, but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

DEPOSITORY TO FURNISH INFORMATION

29. Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

CANCELLATION OF CERTIFICATES UPON SURRENDER BY A PERSON

30. Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

OPTION TO OPT OUT IN RESPECT OF ANY SECURITY

31. If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly.
32. The Depository shall, on receipt of information as above, make appropriate entries in its records and subsequently inform the Company.
33. The Company shall within thirty (30) days of the receipt of the intimation from the Depository and on fulfillment of such conditions and payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

SERVICE OF DOCUMENTS

34. 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.

PROVISIONS OF ARTICLES TO APPLY TO SHARES HELD IN DEPOSITORY

35. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares in physical form subject to the provisions of the Depository Act.

ALLOTMENT OF SECURITIES DEALT WITH IN A DEPOSITORY

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

DISTINCTIVE NUMBER OF SECURITIES HELD IN A DEPOSITORY

37. The shares in the capital shall be numbered progressively according to their several denominations provided, however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

REGISTER AND INDEX OF BENEFICIAL OWNERS

38. The Company shall cause to keep a Register and Index of Members and a Register and Index of Debenture holders in accordance with Section 88 of the Act, respectively, and the Depositories Act, with details of shares and debentures held in material/physical and dematerialised form in any manner as may be permitted by law including in any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of Members and Register and Index of Debenture holders, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country.
39. The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.

COMPANY'S LIEN ON SHARES

40. (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.
41. 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.
42. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. 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.
43. 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. 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.

CAPITALISATION OF PROFIT

44. (1) The Company in general meeting may, upon the recommendation of the Board, resolve –
- (a) that it is desirable to capitalize 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 (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Article (6), either in or towards-
- (i) paying any amounts for the time being unpaid on any shares held by such members respectively;
 - (ii) paying up in full, un-issued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; or
 - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii)
- (3) A share premium account and a capital redemption reserve account may for the purposes of this regulation, only be applied in the paying up of un-issued shares to be issued to members of the company as fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- (5) 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.
- (6) 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;
- (7) Any agreement made under such authority shall be effective and binding on such members.

PAYMENT OF CALLS IN ADVANCE

45. The Board may, if it thinks fit, receive from any member willing to advance the whole or any part of the money due upon the shares held by him beyond the sums actually called for, and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying in excess of the amounts of calls shall not rank for dividends nor shall the members be entitled to any voting rights in respect of the money so paid by him until the same should, but for such payment, become presently payable.

ISSUE OF SHARES TO MINORS

46. The Company shall be entitled to issue and or allot any shares and to register any shares in the name of a minor person if fully paid and allow the dividend thereof to be collected by the guardian recognized by the Company as the guardian of

such minor shareholder. Such guardian shall exercise all the rights in respect of such shares including the rights of voting and transfer.

DIFFERENCE IN AMOUNT PAID-UP ON SHARES

47. The Directors may take arrangement on the issue of shares of a difference between the holder of such shares in the amount of calls to be paid and in the time of payment of such calls.

TRANSFER OF SHARES

48. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. 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.
49. A member shall not transfer his shares to persons other than members of the Company as long as the other members are willing to purchase the same at the fair price agreed upon by the transferor and the transferee and failing the agreement, at the price fixed by the Board of Directors or the Auditors of the Company or Merchant Banker or Arbitrator as agreed between parties and in absence of any willing buying member the shares can be purchased by persons other than members. In order to arrive at the fair price of share the brand value (including Logo) / goodwill of the Company should be factored appropriately.
50. 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.
51. 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 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.
52. On giving not less than seven days' previous notice in accordance with section 91 of the Act 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.

TRANSMISSION OF SHARES

53. 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. Nothing in this clause 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.
54. 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.
- 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.
55. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. 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 or transfer were a transfer signed by that member.
56. 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

57. 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.
58. 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.
 - (c) 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. The forfeiture of the share shall include all dividends declared in respect of the forfeited share not actually paid before the forfeiture
59. 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.
60. 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 person whose shares have been forfeited shall continue notwithstanding that the company may have received payment in full the nominal amount of the shares unless the Board of Directors in their discretion decide otherwise.

61. 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.
62. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the 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.

BUY-BACK OF SHARES

63. Notwithstanding anything contained in these articles but subject to the provisions of section 68 to 70 any other 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.

ALTERATION OF CAPITAL

64. 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.
65. Subject to the provisions of section 61, 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.

65. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law-
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

CONVERSION OF SHARES INTO STOCK

66. 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.

SWEAT EQUITY SHARES

67. Notwithstanding anything contained in Section 53 but subject to the provisions of Section 54 of the Act, and other applicable provisions and rules made thereunder the Company may from time to time by Special Resolution issue sweat equity shares of a class of shares already issued.

BOARD OF DIRECTORS

68. Subject to the provisions of Section 149 of the Act and unless and until otherwise determined by the Company in a General Meeting, the number of Directors shall not be less than two or more than fifteen.

DIRECTORS

69. The following shall be the first Directors of the Company:

1. Mr. Ratanlal Poddar
2. Mr. Subhash Chaudhary
3. Ms. Lata Agarwala

HOLDING OF QUALIFICATION SHARES NOT NECESSARY

70. It shall not be necessary for a Director to hold any qualification shares.

APPOINTMENT OF ADDITIONAL DIRECTOR

71. Subject to the provision of section 149, the Board shall have power at any time and from time to time appoint any other qualified person to be additional director, provided that the total number of Directors shall not at any time exceed the maximum fixed under the Articles. Any such additional Director shall hold office only upto the date of next Annual General Meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

DIRECTORS RETIREMENT BY ROTATION

72. The Directors of the Company shall not subject to retirement by rotation and shall continue to hold office unless otherwise determined by the Company in a General Meeting.

FILLING UP OF VACANCY

73. In the event of death or voluntary retirement of any of the Directors, the remaining Directors then on Board shall have power to fill up the vacancy. The Director so appointed shall hold the office till the conclusion of the next following Annual General Meeting.

VACATION OF OFFICE BY DIRECTOR

74. Subject to the provision of Section 167 the office of the Director shall also become vacant if he gives the Company one month notice in writing when he resigns his office (The Company may accept shorter notice). Any acts done in good faith by Director whose office is vacated either by the provisions of Section 167 or as aforesaid shall be valid unless prior to doing of such act, a written notice shall have been served upon the company or entry shall have been made in the Board of Directors minute book stating that such Director has ceased to be Director of the Company.

REMOVAL OF DIRECTOR

75. The Company may in accordance with section 169 of the Act and rules made thereunder pass resolution at any general meeting of the members, remove any director before the expiration of his period of office, and may appoint another person in his stead. The person so appointed shall hold office during such time only as a director in whose place he is appointed would have held the same if he had not been removed.

DIRECTORS MAY ACT NOTWITHSTANDING VACANCY

76. The continuing directors may act notwithstanding any vacancy in their body, but if and so long as the number of Directors is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a general meeting of the Company, but for no other purpose.

ALTERNATE DIRECTORS

77. The Board may appoint an Alternate Director to act for a Director during his absence for a period of not less than three months from the State in which the meeting of the Board is ordinarily held. Every such Alternate Director, shall subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purpose of a quorum and generally at such meetings to have and exercise all the powers and duties and the authorities of the Original Director. The Alternate Director shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held. If the terms of office of the Original Director are determined

before he returns to the State, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

SITTING FEES TO DIRECTORS FOR ATTENDING MEETING

78. A remuneration to the Directors including Alternate Director for attending meeting or any adjourned meeting of the Board or any committee thereof shall be fixed from time to time, by the Board, and the absence thereof, no such remuneration shall be paid to the Directors for the meeting attended by them. The Company will further be entitled to pay all the reasonable expenses incurred by such Directors in attending such meeting by way of travelling lodging and boarding expenses and other incidental expenses and any other expenses incurred by them in connection with the business of the Company.

CHAIRPERSON

79. The Board may, from time to time, appoint any Director to be the Chairperson of the Board, for fixed term or without any limitation as to the period for which he is to hold such office.

The Chairperson of the Board shall be subject to the same provisions as to resignations and removal as the other Directors and he shall ipso facto and immediately, cease to be the Chairperson if he ceases to hold the office of Director for any cause.

MANAGING DIRECTOR/WHOLE-TIME DIRECTOR

80. Subject to the provisions of Section 196 of the Act, any of these articles, the board shall have power to appoint from time to time any Director as the Managing Director/Whole-Time Director of the Company, upon such terms and conditions as the Board may think fit. The Board may by a resolution vest in the Managing Director/Whole-Time Director such of the powers may be made exercisable for such period and periods and upon such conditions and subject to the restrictions as it may determine, the remuneration of a Managing Director/Whole-Time Director may be by way of monthly payment, fee for each meeting or participation in profits or by any or all these modes or any other mode not expressly prohibited by the Act. The Managing Director of the Company shall not be liable for retirement by rotation.

POWER OF THE BOARD OF DIRECTORS

81. Subject to the provisions of law applicable to private companies, the Board shall be entitled to exercise all such powers and do all such acts and things, as the Company is authorised to exercise and do except as are not by the Act or by these articles required to be exercised by the Company in General Meeting or which have been prescribed by the Company in a General Meeting to the exercised only it at such meeting, but no such regulation shall invalidate any prior act of the Directors, which would have been valid if such regulation had not been made. The restrictions on the powers of the Board of Directors imposed by Section 180 of the Companies Act, 2013 shall apply in the case of this Company and the Directors may exercise any of the powers specified therein with the consent of the Company in General Meeting accorded by a special resolution and subject to the provisions of law applicable to private Companies from time to time.

BORROWING POWERS

82. The Directors may, at time and from time to time at their discretion raise or borrow any sum or sums of money by receiving loans, advances, deposits, for fixed period or otherwise with or without security or otherwise, for the purpose of the Company from any person/s., Banks/s, firm/s, or Company/s, expressly including any member of Company as they deem fit. However, the directors shall obtain consent of the members by a special resolution if, the money to be borrowed together with the money already borrowed by the Company exceed aggregate of its paid-up share capital and free reserves. The Directors may secure the repayment of such money together with interest or premium thereon, in such manner and upon such terms and conditions in all respects as they think fit and in particular by way of mortgaging and or charging and/or pledging the whole or any part of the Company's movable and immovable property and assets, present or future, including the Company's uncalled capital (if any) and may issue bonds, debentures or debenture-stock either charged upon the whole or any part of the assets, and properties of the Company or not so charged or otherwise. Any bonds, debentures, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Directors, who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

DELEGATION OF POWER BY DIRECTORS

83. The Directors from time to time and at any time, may subject to section 179 of the Act, delegate to any Managing Director, local board, manager, attorney or

agent, any of the powers, authorities and discretion and any such appointment or delegations for the time being may be made on such terms and subject to such conditions including powers to sub-delegate and the Directors may at any time remove any person so appointed and may annul or vary any such delegation but no person dealing in good faith and without notice of such annulment or variation shall be affected thereby.

BOARD MEETING

84. (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate meetings and proceedings, as they think fit.
- (b) The gap between two board meetings should not exceed 120 days as required by Section 173 of the Act or any statutory modification thereof. Meeting of the Board can be convened by giving a notice of at least 7 days, unless all the Directors otherwise agree. Any Director or Secretary or any other officer of the Company on the requisition of any Director may summon a meeting of the Board by issuing a notice. Notice convening a Board Meeting can be served even through electronic mode such as emails, fax, etc. Notice of the Board Meeting should also inform directors about the availability of participation through electronic mode (video conferencing), if provided, and should also provide necessary information to enable the directors to access the available facility of Video conferencing. Notice of the meeting shall also seek confirmation from the Directors as to whether he/she will attend the meeting physically or through electronic mode and shall also contain contact number(s), email addresses of the Secretary / designated officer to whom the director shall confirm in this respect.
- (c) The quorum for a meeting of the board shall be two, present either in person or through audio visual facility (video conference) if provided by the Company to participate in the meeting.
- (d) 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.
- (e) 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.
- (f) All acts by any meetings 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 or 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.

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

DIRECTOR MAY CONTRACT WITH COMPANY

- 85. A Director may hold any office or place of profit in the Company (other than that of Auditor) in conjunction with the office of Director, and may enter into contracts or arrangements or have dealings with the Company, and shall not be disqualified from office thereby, nor debarred from exercising his vote as a director when any such contract or arrangement is being deliberated, nor shall be liable to account to the Company for any profit arising out of any such contract, arrangement, or dealing to which he is a party or in which he is interested by reason of his being at the same time a Director of the Company, provided that such director discloses to the meeting of the Directors, at which such contract, arrangement, or dealing is first taken into consideration, the nature of his interest therein or if such interest is subsequently acquired, provided that he discloses the fact that he has acquired such interest was acquired. A general notice given to Board of Directors by a Director to the effect that he is a member of a specified Company or firm, and is to be regarded as interested in any contract, arrangement, or dealing which may, after the date of the notice, be entered into or made with that Company or firm, shall, for the purpose of this article, be deemed to be a sufficient disclosure of interest in relation to any contract, arrangement, or dealing so entered into or made.

GENERAL MEETING

- 86.
 - a) A notice of at least twenty one days specifying the place, the day and the hour of the General Meeting (whether Annual or Extra-ordinary) and in the case of special business, the general nature of such business shall be given to the members in the manner as may be prescribed by the Board of Directors, but accidental omission to give such notice or non receipt of such notice by any member shall not invalidate the proceedings of the General

Meeting and General Meeting may be called at a shorter notice in such manner as the members think fit subject to prevailing provisions of the Act.

- b) Notice and other documents of General Meeting can be given to the shareholders even by email; provided every shareholder should be given advance opportunity to register their email address and changes therein from time to time with the company. In case any member has not registered his email address with the company, the service of notice and documents should be made in the physical form as permitted under the law.
- c) The Notice of the General Meeting shall inform the shareholders regarding the availability of facility to participate in the meeting through Video Conferencing, if intending to provide, and must provide necessary information to shareholders to access the available facility of video conferencing, if provided.
- d) The provisions of Section 102 of the Companies Act, 2013 shall apply to this Company and accordingly where any special business is to be transacted at a General Meeting explanatory statement thereof needs to be annexed with relevant information as provided in the section.
- e) No business shall be transacted at any General Meeting unless a quorum of members as per the Act is present. Two members personally present in person shall be a minimum quorum for General Meeting. Members attending the meeting through the Video conferencing shall not be counted for the purpose of ascertaining the quorum of the meeting.
- f) The Chairperson of the Board of the Director shall preside at the General Meeting, but if at any meeting he shall not be present within 15 minutes after the time appointed for holding the same or is unwilling to preside, the members present shall choose some Director or if no Director be present or if all the Directors present decline to take the chair, they shall choose some member present to be the Chairperson of the meeting.
- g) The Chairperson may, with the consent of any meeting of 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 adjournment took place. When the 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 an adjournment or of the business to be transacted at any adjourned meeting.

- h) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- i) 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.

VOTING RIGHTS

- 87. On a show of hands every member holding equity shares of the Company, and present in person shall have one vote. On a poll, every member holding equity shares of the Company whether present in person or by proxy, shall have vote for each equity share held by him. Members attending the meeting through the Video conferencing shall not be counted for the purpose of voting through show of hands. The holder of preference shares shall have no right to attend or vote at any meeting of the Company except where law otherwise directs.
- 88. 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.

THE SEAL

89. The Board shall provide for the safe custody of the seal. 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

90. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
91. Subject to the provisions section 123 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.
92. 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.
93. 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.

94. 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.
95. 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.
96. 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.
97. 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.
98. No dividend shall bear interest against the company.

ACCOUNTS

99. 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.
100. 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.

SECRECY

101. No member shall be entitled to visit or inspect the Company's works without the permission of the Board or the Managing Director and to require discovery of or any information respecting any detail of the Company's business or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process that may relate to the conduct of the Business of the Company and which in the opinion of the Board or the Managing Director will be in-expedient in the interest of the members of the Company to disclose.

Every Director, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall be deemed to have pledged himself to observe a strict secrecy in respect of all transactions of the Company with its customers and the state of the accounts with individuals in matters relating thereto and shall be deemed to have pledged not to reveal any of the matters which come to his knowledge in the discharge of his duties except when required to do so under any law or by the Directors or by a Court of Law, as the case may be and except so far as may be necessary in order to comply with any of the provisions of these Regulations.

WINDING UP

103. Subject to the provisions of Chapter XX of the Act and rules made thereunder, 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. 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. 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.

INDEMNITY

104. 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.

MEMBERS NOT ENTITLED TO INFORMATION

105. No member shall be entitled, except to the extent expressly permitted by the Act or these Articles, to enter upon the property of the Company or to require discovery of or in information respecting any detail 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 which may relate to the conduct of the business of the Company and which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate to the public.

GENERAL AUTHORITY

106. Wherein the Companies Act, 2013, it has been provided that the Company shall not have any right, privilege, or authority of that the Company cannot carry out any transaction unless the Company is so authorised by its Articles, then and in that case this Article, hereby authorizes and empowers the Company to have such right privilege or authority and to carry out such transaction as have been permitted by the Companies Act, 2013 without there being any other specific Article in that behalf herein provided.
