

**(THE COMPANIES ACT, 2013)**  
**AND**  
**(THE COMPANIES ACT, 1956)**  
**(PUBLIC COMPANY LIMITED BY SHARES)**  
**PROPOSED ARTICLES OF ASSOCIATION**  
**OF**  
**DARCL LOGISTICS LIMITED**  
**FOR APPROVAL IN THE EGM OF SHAREHOLDERS**  
**SCHEDULED ON 10.06.2017**

Preliminary  
Interpretation

1.1 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act. The marginal notes hereto shall not affect the construction hereto and in these presents, unless there be something in the subject or context inconsistent therewith.

“**Act**” means the Companies Act, 2013,

“**Approvals**” means any consent, approval, authorization, waiver, permit, grant, franchise, concession, agreement, license, certificate, exemption, order, registration, declaration, filing, report or notice of, with or to any Government;

“**Articles**” means these Articles of Association as originally framed or as altered by Special Resolution, from time to time;-

“**Audit Committee**” shall mean the audit committee constituted by the Board of the Company;

“**Board**” means the board of Directors of the Company from time to time;

“**Business**” means and includes the business of freight transportation (road, rail, sea, air), warehousing and any other logistic services;

“**Business Plan**” means the annual business plan of the Company as prepared from time to time and approved by the Board -;

“**Company**” means. “DARCL Logistics Limited.”

“**Days**” shall mean calendar days;

“**Directors**” means the directors of the Company;

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“**Dividend**” includes any interim dividend;

“**Equity Shares**” means the equity shares of the Company;

“**Financial Year**” means the financial year commencing on 1 April of a calendar year and ending on 31 March in the immediately succeeding calendar year;

“**Government**” shall include the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the

same and any local or other authority exercising powers conferred by Law and shall include, without limitation, the Reserve Bank of India;

**“Independent Director”** means a person as defined in Section 149 of the Act including statutory modifications or re-enactments thereto.

**“Indian GAAP”** means the generally accepted accounting principles which are (a) in effect from time to time in India, (b) issued by the Government of India and/or the Indian Institute of Chartered Accountants, and (c) consistently applied.

**“Insolvency Proceedings”** shall mean any form of bankruptcy, liquidation, receivership, administration, arrangement or scheme with creditors, moratorium, interim or provisional supervision by the court or court appointee, whether in the jurisdiction of the place of incorporation or in any other jurisdiction, whether in or out of court;

**“IPO / Offer for Sale”** shall mean the first public offering / offer for sale of Equity Shares and listing of the Equity Shares on a Stock Exchange where the Equity Shares of the Company are, or are permitted to be, listed as part of such initial public offering / offer for sale;

**“Key Managerial Personnel”** which should mean the Chief Executive Officer or the Managing Director or the Manager, the Company Secretary, the Whole Time Director, the Chief Financial Officer and such other officer as may be prescribed time to time of the Company and its Subsidiaries.

**“Law”** includes all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Government, statutory authority, tribunal, board, court or recognised Stock Exchange and, if applicable, international treaties and regulations;

**“Month”** means calendar month;

**“Office”** means the Registered Office of the Company for the time being;

**“Promoters”** means Mr. Krishan Kumar Agarwal, Mr. Darshan Kumar Agarwal, Mr. Roshan Lal Agarwal and Mr. Narender Kumar Agarwal referred to collectively;

**“Proxy”** includes Attorney duly constituted under a power of attorney;

**“Register”** means the Register of members to be kept pursuant to section 88 of the Act;

**“Relatives”** shall have a meaning assigned to the said term in section 2(77) of the Act;

**“Reorganisation”** means every issue by way of capitalisation of profits or reserves and every issue by way of rights or bonus and every consolidation or sub-division or reduction of capital, buy-back of securities or capital distribution or other reconstruction or adjustment relating to the equity share capital of the Company and any amalgamation or reconstruction affecting the equity share capital of the Company;

**“Seal”** means the Common Seal of the Company;

**“Shareholder”** shall mean any Person who holds Equity Shares or Preference Shares in the Company from time to time;

**“Shareholding Percentage”** shall mean the respective percentage proportions in which the paid up equity share capital of the Company is held from time to time by the Shareholders;

“**Stock Exchange**” means a recognized stock exchange in India;

“**Subsidiaries**” shall mean any subsidiaries of the Company from time to time as defined under the Act;

“**Tax**” or “**Taxation**” means all forms of taxation, duties, levies, imposts and social security charges, including without limitation corporate income tax, wage withholding tax, provident fund, employee state insurance and gratuity contributions, value added tax, customs and excise duties, capital tax and other legal transaction taxes, dividend withholding tax, real estate taxes, other municipal taxes and duties, environmental taxes and duties and any other type of taxes or duties in any relevant jurisdiction, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction;

“**Transfer**” shall mean (i) any transfer or other disposition of the Equity Shares or voting interests or any interest therein, including, without limitation, by operation of Law by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any sale, assignment gift, donation, redemption, conversion or other disposition of such Equity Shares or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such Equity Shares or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any Encumbrance in, or extending or attaching to, such Equity Shares or any interest therein;

“**Year**” means a calendar year and “**Financial Year**” shall have the meaning assigned thereto by Section 2(41) of the Act;

## **INTERPRETATION**

1.2 In these Articles, unless the context requires otherwise:

- (a) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of these Articles;
- (b) references to one gender include all genders;
- (c) any reference to any enactment or statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidated or reenacted (with or without modification) and includes all instruments or orders made under such enactment;
- (d) words in the singular shall include the plural and vice versa;
- (e) any reference to an Article shall be deemed to be a reference to an Article of these Articles;
- (f) references to an “agreement” or “document” shall be construed as a reference to such agreement or document as the same may have been amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document and, if applicable, of these Articles with respect to amendments;

Table “F” Not to apply

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The regulations contained in the Table marked ‘F’ in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

## SHARE CAPITAL

- |                              |           |  |
|------------------------------|-----------|--|
| Share Capital                | 3.        | The Authorised Share Capital of the Company is as stated in clause V of the Memorandum with the rights, privileges and conditions attached thereto as are provided by the Articles of Association for the time being.-The Company shall have power to subdivide consolidate and increase or decrease from time to time, to issue any shares of the original capital and subject to any preferential, qualified or special rights, privileges or conditions as may be, thought fit, and upon the subdivision of shares to apportion the right to participate in profits, in any manner as between the shares resulting from subdivision.  |
| Redeemable Preference Shares | 4.        | The Company shall have power to issue Preference Shares carrying right to redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or liable to be redeemed at the option of the Company and the Board may subject to the provisions of Section 55 of the Act, exercise such power in such manner as it thinks fit.   |
| Allotment of Shares          | 5.        | Subject to the provisions of these Articles, the shares shall be under the control of the Directors who may allot or otherwise dispose off the same on such terms and condition, and at such time, as the Directors think fit and with power to issue any shares as fully paid up in consideration of services rendered to the Company in its formation or otherwise provided that where the Directors decide to increase the issued capital of the Company by the issue of further shares, the provisions of Section 62 of the Act and the terms of the Agreement will be complied with. Provided further that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting. |
| Issue of Shares at Discount  | 6.<br>6.1 | Subject to the provisions of the Act it shall be lawful for the Company to issue at a discount, shares of a class already issued.  |
| Rights Issue                 | 6.2       | The Company shall have a rights issue in place subject to provisions of the Act.   |
| Bonus Issue                  | 6.3       | The Company can issue Bonus Share as per provision of the Act.   |
| Buy Back of Shares           | 6.4       | The Company is entitled to buy back its shares as per provisions of the Act.   |
| Brokerage                    | 7.        | The Company may pay a reasonable sum of brokerage, subject to the ceiling prescribed under the Act.  |
| Trusts not recognized        | 8.        | Subject to Section 89 of the Act 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 as by law required, be bound to recognize any trust, benami or equitable or other claim to or interest in such shares on any fractional part of a share whether or not it shall have express or other notice thereof.  |

## CERTIFICATE

- Certificate 9. Any physical share certificates shall be issued under the Seal of the Company. A member shall have the option to hold the certificate of shares in physical mode or may opt to have the shares in depository mode.
- Member's Right to Certificate 10. Every member shall be entitled free of charge to one certificate for all the shares of each class registered in his name, or any member so wishes to several certificate each for one or more of such shares. Unless the conditions of issue of any shares otherwise provide the Company shall either within three months after the date of allotment and on surrender to the Company of its letter making the allotment or of its fractions coupons of requisite value (Save in the case of issue against letter of acceptance or of renunciation or in case of issue of bonus shares) or within one month of receipt of the application for registration of the transfer, sub division, consolidation, renewal or exchange of any of its shares, as the case may be, complete, and have ready for delivery the certificates of such shares. Every certificate of shares, shall specify the name of the person in whose favour the certificate is issued, the shares to which it relates and the amount paid up there on. Particulars of every certificate issued shall be entered in the Register maintained in the form set out in the Companies (Share Capital and Debentures) Rules, 2014. Provided that in case of shares of the Company are held by a member in depository mode, the Company shall recognise the depository as the owner of the shares and the name of the members appearing in the register of the depository shall be recognised as the beneficial owner of the shares and shall be entitled to all the benefits, privileges and shall be subject to the obligations contained in these Articles in so far as it pertains to the shares so held by him.
- As to issue of new certificates 11. (1). If any certificate of any share or shares be surrendered to the Company for sub-division or consolidation or if any certificate be deface, torn or old, decrepit, worn-out or where the pages on the reverse for recording transfer have been duly utilised, then upon surrender thereof to the Company, the Board, may order the same to be cancelled and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Board, and on such indemnity as the Board thinks fit being given a new certificate in lieu thereof, shall be given to party entitled to the shares to which such lost or destroyed certificates relate. Where a new certificate has been issued as aforesaid it shall state on the face of it and against the stub or counterfoil that it is issued in lieu of a share certificate or is a duplicate issue for the one so replaced and in the case of certificate issued in place of one which has been lost or destroyed, the word "duplicate" shall be stamped or punched in bold letters across the face thereof. For every certificate issued under this Article, there shall be paid to the Company such out of pocket expenses incurred by the Company in investigating evidence as the Board may determine.
- (2) No fee shall be charged for sub-division and consolidation of share and debenture certificate and for sub-division of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations corresponding to the market units of trading, for sub division of renounceable letters of right; for issue of new certificate in replacement of those which are old, decrepit, or worn-out, or where the cages on the reverse for recording transfers have been fully utilised. Provided that the Company may charge such fees as may be agreed by it with the Stock Exchange with which it's shares may be enlisted for the time being for issue of new certificates in replacement of those that are torn, defaced, lost or destroyed, and for sub-division and consolidation of share and debenture certificate and for sub-division of letter of allotment and split, consolidation, renewal and pucca transfer receipt into denominations other than those fixed for the market units of trading.

## JOINT HOLDERS OF SHARES

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|---|-----|---|
| Fee on sub-division of shares, issue of new certificates etc.<br>Maximum number<br>Liability several as well as joint<br>Survivors of joint holders only recognized<br><br>Delivery of certificates | 12. | Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefit of survivorship subject to provisions following and to the other provisions of these Articles relating to joint holders.<br><br>(a) The Company shall not be bound to register more than four persons as the joint-holder of any share.<br>(b) The joint holders of a share shall be liable severally as well as jointly in respect of all payments, which ought to be made in respect of such shares.<br>(c) On the death of any one of such joint holders the survivor or survivors shall be the only person recognised by the Company as having any title to or interest in such share. The Board may require such evidence of death as it may deem fit.<br>(d) Only the person whose name stands first in the Register as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share. |
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## CALLS

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| Calls   | 13. | The Directors may, from time to time, subject to the terms on any shares may have been issued, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereto made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments.  |
| When call deemed to have been made                      | 14. | A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call is passed.   |
| Notice to Call  | 15. | Not less than 30 (Thirty) Days notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.   |
| Amount payable  | 16. | If by the terms of issue of any share or otherwise, the whole or part of the amount of issue price thereof is made payable at any fixed time or by instalments at fixed times, every such amount of issue price of instalment thereof shall be payable as if it was a call duly made by the Directors and of which due notice had been given and all the provisions herein contained in respect of calls shall apply to such amount or issue price of instalments accordingly.   |
| Interest to be charged on non-payment of call           | 17. | If the sum payable in respect of any call or instalment be paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call shall have been made of the instalment shall be due, shall pay interest for the same at the rate of 12 (Twelve) percent per annum, from the day appointed for the payment thereof to the actual payment or at such other rate as the Directors may determine they shall have power to waive the payment thereof wholly or in part. |
| Evidence in actions by the Company against Shareholders | 18. | On the trial or hearing of any action or suit brought by the Company money claimed to be due to the Company in respect of its shares, it shall be sufficient to prove that the name of the defendant is, or was when the claim arose, on the Register of the Company as a holder of one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the              |

Company, and it shall be necessary to prove the appointment of the Directors who made any call not that a quorum of Directors was present at the meeting at which any calls was made nor that such meeting was duly convened or construed nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

- Payment of calls in advance 19. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called for, and upon the money so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of call then made upon the share in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 6 (Six) percent per annum unless the Company in general meeting shall otherwise direct as the member paying such sum as advance and the Board agree upon. Money so paid in excess of the amount of call shall not rank for dividends or confer a right to participate in profits. The Board may at any time repay the amount so advanced upon giving such member not less than three months notice in writing.

### **FORFEITURE AND LIEN**

- Notice may be given for calls or instalments not paid 20. If any member fails to pay any call or instalment on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or instalment remains unpaid serve notice on such member requiring him to pay the same together with any interest that may have accrued and expenses, that may have been incurred by the Company by reasons of such non-payment.

- Form of Notice 21. The notice shall name a day (not being less than 30 (thirty) days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place or places appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited.

- If notice not complied with shares may be forfeited 22. If the requirement of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at the time thereafter before payment of all calls or instalments, interest and expense due in respect thereof, be forfeited by a resolution of the -Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share not actually paid before the forfeiture, subject to provision of the Act. Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any member of the Company in respect of his shares either by way of principal or interest, nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such share as herein provided.

- Notice after forfeiture 23. When any share shall have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

- Forfeited shares to become property of the Company 24. Any shares so forfeited shall be deemed to be the property of the Company and the Directors may sell, re-allot or otherwise dispose off the same in such manner as they think fit.

Power to annual forfeiture	25.	The Directors may, at any time before any share so forfeited shall not be sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as they think fit.
Arrears to be paid notwithstanding forfeiture	26.	Any member whose shares have been forfeited shall notwithstanding such forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and the expenses, owing upon or in respect of such shares, at the time of all instalments, interest and the forfeited together with interest thereupon from time of the forfeiture until payment at 12 (Twelve) per cent per annum or such other rate as the Directors may determine and the Directors may enforce the payment thereof without any deduction of allowance for the value of shares at the time of forfeiture but shall not be under any obligation to do so.
Effect of forfeiture	27.	The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved.
Evidence of forfeiture	28.	A duly verified declaration in writing that the declarant is a Director of the Company and certain shares in the Company have 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 shares and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition, thereof, shall constitute written title to such shares.
Company's lien on shares	29.	The Company shall have a first and paramount lien upon all the shares (not fully paid up) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares, and equitable interest in any share be created except upon the footing and condition that Article 29 hereof is to have full effect. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.
Intention as enforcing lien by sale	30.	For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit but no sale shall be made until such period as aforesaid shall have lapsed and until notice in writing of the intention to sell shall have been served on such member, his committee, curator bonus or other person recognised by the Company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for thirty days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such member, and the residual (if any) be paid to such member, his executors, administrators or other representatives or persons so recognised as aforesaid.
Validity of Shares	31.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the share sold and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in proceedings in reference to such forfeiture. Sale or disposition, nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Power to issue	32.	Where any shares under the powers in that behalf herein contained sold by the



new certificate                      Directors    and the certificate thereof has not been delivered to the Company by the former holders of the said shares the Directors may issue new certificate in lieu of certificate not so delivered up.

### **TRANSFER AND TRANSMISSION OF SHARES**

Transfer of                      33.            Any Transfer or attempted Transfer of Equity Shares not specifically permitted by Shares                      these Articles and the Agreement shall be void, and the Parties shall do every act, deed or thing to prevent such Transfer from being given effect to.

Execution of                      34.            Subject to the provisions of the Act, no transfer of shares shall be registered unless a Transfer etc.                      proper instrument of transfer duly stamped and executed by or on behalf of the transferor or transferee has been delivered to the Company together with the certificate or certificates of the shares or if no such certificate is in existence along with the letter of allotment of shares. The instrument of transfer of any shares shall be signed both by or on behalf of the transferor and by or on behalf of transferees and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. Provided that in case of shares held in the depositary mode, the proper application for transfer of shares duly completed shall be submitted to the registrar and transfer agent appointed by the Company.

Application for                      35.            Application for the registration of the transfer of a share may be made either by the Transfer                      transferor or the transferee provided that, where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manners prescribed by the Act, and subject to the provisions of Articles hereof, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

Notice of                      36.            Before registering any transfer tendered for registration, the Company may, if it so Transfer to                      thinks fit, give notice by letter posted in the ordinary course to the registered holder registered holder                      that such transfer deed has been lodged and that unless objection is taken the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within two weeks from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer.

Register of                      37.            The Company shall keep a “Register of Transfers” and therein shall be fairly and Transfer                      distinctly entered particular of every transfer of any share. Provided that in case of shares held in the depositary mode, the registrar and transfer agent shall maintain the register of transfer of shares and enter therein the particulars of every transfer of shares.

In what case to                      38.            Subject to the provisions of Section 58 of the Act, the Board, without assigning any decline to register                      reason for such refusal, may within two month from the date on which the instrument Transfer of                      of transfer was delivered to the Company refuse to register any transfer of a share shares                      upon which the Company has a lien and in the case of a share not fully paid up, may refuse to register a transfer to a transferee of whom the Board does not approve.

Provided that the registration of a transfer of share shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

<p>No Transfer to minor</p> <p>No fee for registration of Transfer</p>	<p>39.</p>	<p>(1) No transfer shall be made to a person of unsound mind.</p> <p>(2) No fee shall be charged for registration of transfer, probate, letter of administration, certificate of death or marriage, power of attorney or similar other instruments.</p>
<p>When instrument of Transfer to be retained</p>	<p>40.</p>	<p>All instruments of transfer duly approved shall be retained by the Company and in case of refusal, instruments of transfer shall be returned to the person who lodges the transfer deeds.</p>
<p>Notice of refusal to register Transfer</p>	<p>41.</p>	<p>If the Directors refuse to register the transfer of any shares, they shall, within one month from the date on which the instrument of transfer was lodged with the Company or intimation given, send to the transferor and the transferee or the person giving intimation of such transfer notice of such refusal.</p>
<p>Power to close transfer book and register</p>	<p>42.</p>	<p>On giving seven days notice by advertisement in newspaper circulating in the District in which the Office of the Company is situated the Register of Members may be closed during such time as the Directors think fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.</p>
<p>Transmission of registered shares</p>	<p>43.</p>	<p>The executors or administrators of the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only person whom the Company shall recognise as having any title to the shares registered in the name of such member and in case of the death of any one or more of the joint-holders of any registered shares the survivors shall be only persons recognised by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Before recognising any legal representative or heir or a person otherwise claiming title to the shares the Company may require him to obtain a grant of probate or letters of administration or succession certificate, or other legal representation, as the case may be from a competent court, provided nevertheless that in any case where the Board in its absolute discretion think fit it shall be lawful for the Board to dispense with production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnify or otherwise as the Board may consider desirable.</p>
<p>As to transfer of shares of deceased or insolvent member</p>	<p>44.</p>	<p>Any person becoming entitled to or to transfer shares in consequence of the death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title as the Directors think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may subject to the regulation as to transfer here in before contained transfer such shares. This Article is hereinafter referred to as "The transmission Article". Subject to any other provisions of these Articles if the person so becoming entitled to shares under this or the last preceding Article shall elect to be registered as a member in respect 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 he shall elect to transfer to some other person he shall execute an instrument of transfer in accordance with the provisions of these Articles relating to transfer of shares. All the limitations, restrictions and provisions of these Articles relating to the rights to transfer and the registration of transfer of shares shall be applicable to any such notice of transfer as aforesaid.</p>
<p>Transmission Article</p> <p>Notice of election to be registered</p> <p>All rights of executors and trustee</p>	<p>45.</p>	<p>Subject to any other provisions of these Articles if the Directors in their sole discretion are satisfied in regard thereof, a person becoming entitled to a share in consequences</p>

trustee of the death or insolvency of a member may receive and give a discharge for any dividends or other money payable in respect of the share.

Provision of Articles relating to Transfer application 46 The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

### **STOCKS**

Stocks 47. The Company may exercise the power of conversion of its shares into stock and in that case regulations 37 of Table "F", in Schedule 1 of the Act shall apply.

### **ALTERATION OF CAPITAL**

Power to sub-divide and consolidate 48. The Company may, by ordinary resolution, from time to time, and subject to the terms of the Agreement, alter the condition of Memorandum of Association as follows:

- (a) Increase the Share Capital by such amount to be divided into shares of such amount as may be specified in the resolution.
- (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- (c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, and Articles so however, that in the sub-division the proportion between the amount paid and the amount if any unpaid on each reduced share shall be the same as it was in the share from which the reduced share is derived, and
- (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 and diminish the amount of its share capital by the amount of the share so cancelled.

Surrender 49. Subject to the provisions of the Act, the Board may accept from any member the surrender of all or any of his shares on such terms and conditions as shall be agreed.

### **MODIFICATION OF RIGHTS**

Power to modify rights 50. 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, whether or not the Company is being wound up, be carried with 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 Articles relating to meeting shall apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one tenth of the issued shares of the class but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those members who are present shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and or a poll shall have one vote for each shares of the class of which he is the holder. The Company shall comply with the provisions of Section 117 of the Act as to forwarding a copy of any such agreement or resolution to the Registrar of the Companies.

### **BORROWING POWERS.**

Power to borrow 51. The Board may from time to time and at its discretion, subject to the provisions of Sections 73, 180 and 181 of the Act, and Regulations made thereunder and directions

issued by the RBI, raise or borrow either from the Directors or from elsewhere and secure the payment of any sum or sum of money for the purpose of the Company.

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|---|-----|--|
| Condition on which money may be borrowed          | 52. | The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it think fit, and in particular, any mortgage, or other security on the undertaking of the whole or of the property of the Company (both present and future) including its uncalled capital for the time being, provided that debentures with the rights to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting and subject to the Provisions of the Act. |
| Issue at discount etc. or with special privileges | 53. | Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as the redemption, surrender, drawings allotment of shares, appointment of Directors and otherwise Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.   |
| Instrument of Transfer                            | 54. | Save as provided in Section 56 of the Act, no transfer of debenture shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of debentures.   |
|   | 55. | If the Board refuses to register the transfer of any debentures, the Company shall, within two months from the date on which the instrument was lodged with the Company, send-to the transferee and to the transferor notice of the refusal.   |

### **RESERVES**

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|----------------|-----|--|
| Reserves       | 56. | Subject to the provisions of the Act, the Board shall in accordance with Section 123 of the Act, before recommending any dividend, set aside out of the profits, of the Company such sums as it thinks proper as 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 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 profit which it may think prudent not to divide without setting them aside as a reserve.   |
| Capitalization | 57. | Any General Meeting may resolve that the whole or any part of the undivided profits of the Company (which expression shall include any premiums received on the issue of shares and on profits or other sums which have been set aside as a reserve or reserves or have been carried forward without being divided) be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised amount be applied on behalf of such members in paying up in full and unissued shares of the Company which shall be distributed accordingly towards payment of the uncalled liability on any issued share and that such distribution or payment shall be accepted by such member in full satisfaction of their interest in the said capitalised amount. Provided that any sum standing to the credit of a share premium account or a capital redemption reserve account may, for the purposes of this Article only be applied in the paying up of unissued shares to be issued to members of the Company as fully-paid bonus shares. |

Fraction certificate 58 For the purpose of giving effect to any resolution under two last preceding Articles, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificate.

### GENERAL MEETINGS

Extra-ordinary general meetings 59. The Director may, whenever they think fit, call an extra ordinary general meeting provided however if at any time there are not in India, Directors capable of acting who are sufficient in number to form a quorum any Director present in India may call an extra ordinary general meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.

Calling of extra-ordinary general meetings on requisition 60. The Board of Directors of the Company shall on the requisition of such member or members of the Company as is specified in subsection (2) of Section 100 of the Act forthwith proceed to call an extra ordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the provisions of Section 100 of the Act and of any statutory modification thereof for the time being shall apply.

Provided that unless a shorter period of notice in respect of any particular general meeting is agreed to in terms of the Agreement, not less than 21 (twenty-one) Days' notice specifying the date, place and time, and business to be transacted thereat, including the Reserved Board Matters proposed to be discussed, shall be given to all members. No business shall be transacted at any general meeting of the Company unless the requisite quorum of members as specified in Article 61 below is present throughout the meeting.

Quorum 61. The quorum for a general meeting shall be determined in accordance with section 103 of the Act present throughout the meeting

Chairman 62. At every General Meeting, the Chair shall be taken by the Chairman of the Board of Directors. If at any meeting the Chairman of the Board of Directors be not present within fifteen minutes after the time appointed for holding the meeting or though present be unwilling to act as Chairman, the members shall choose one of the Directors present to be chairman and if no Director shall be present and willing to take the chair the members present shall choose one of their member being a member entitled to vote, to be the Chairman.

Sufficiency of ordinary resolution 63. Any act or resolution which, under the provision of these Articles or of the Act, is permitted shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or these Articles specifically require such act to be done or resolution passed by a special resolution.

When quorum be not present, meeting to be dissolved and when 64. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon a requisition of shareholders shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at the same time and place, unless the same shall be public holiday at the same time and place and if at such adjourned meeting a quorum be not present within half an hour form the time appointed for the meeting, those members who are present and not being less than two persons shall be quorum provided that items which were not on the agenda for the original shareholders' meeting shall not be considered at such postponed shareholders' meeting.

How question of resolutions be decided at the 65. In the case of an equality of votes the Chairman shall both on a show of hands and a poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.

meeting

Power to adjourn general meeting 66. The Chairman of a General Meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give notice to the members of such adjournment or of the time, date and place appointed for the holding of the adjourned meeting.

Business may proceed notwithstanding demand of poll 67. If a poll be demanded, the demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question of which a poll has been demanded.

### VOTES OF MEMBERS

Vote of members 68. (1) On a show of hands every member present in person and being a holder of Equity Shares shall have one vote and every person present either as a proxy on behalf of a holder of Equity Shares or as a duly authorised representative of a body corporate being a holder of Equity Shares if he is not entitled to vote in his own rights, shall have one vote.

(2) On a poll the voting right of a holder of equity shares shall be as specified in Section 47 of the Act.

(3) The voting rights of the holders of the Preference shares including the Redeemable Cumulative Preference Shares shall be in accordance with the provisions of Section 47 of the Act.

(4) No company or body corporate shall vote by proxy so long as a resolution of its Board of Directors under Section 113 of the Act is in force and the representative named in such resolution is present at the General Meeting at which the vote by proxy is tendered.

Votes in respect of deceased, insolvent and insane members 69. A person becoming entitled to a share shall not before being registered member in respect of the share entitled to exercise in respect thereof any right conferred by membership in relation to meeting of the Company.

If any member be a lunatic or idiot, he may vote whether on a show of hands or at a poll by his committee or other legal curator and such last mentioned by proxy provided twenty four hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which any such person proposes to vote he shall satisfy the Board of his rights under this Article unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Joint holders 70. Where there are joint holders of any share any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting either personally or by proxy then that one of the said persons so present whose name stands prior in order on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executor or administrators of deceased member in whose name any share stands shall for the purpose of this Article be deemed joint-holders thereof.

Instrument appointing proxy to be in writing 71. The instrument appointing a proxy shall be in writing under the hand of the appointed or of his attorney duly authorised in writing or if such appointed is a corporation under its common seal or the hands of its Attorney.

Instrument 72. The instrument appointing a proxy and the Power-of-Attorney or other authority (if

appointing proxy to be deposited at the Office		any) under which it is signed or a notarially certified copy of that power of authority shall be deposited at the office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
When vote by proxy valid though authority revoked	73	A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of transfer of the share in respect of which the vote is given. Provided no intimation in writing of the death insanity, revocation or transfer of the share shall have been received at the office or by the Chairman of the Meeting before the vote is given provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.
Form of proxy	74.	Every instrument appointing a proxy shall be in the form as prescribed in the Companies (Management and Administration) Rules, 2014.
Validity of vote	75.	No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes.
	.	Before or on the declaration of the result of the voting of any resolution on a show of hands a poll be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and fulfilling the requirements as laid down in Section 109 of the Act, for the time being in force.
Restriction on voting	76.	No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right or lien.
	77	The Company shall, and each of the Shareholders shall exercise all rights and powers available to it to, procure that none of the Reserved Board Matters shall be put to vote or shall be voted upon at a shareholders' meeting unless it has first been approved by a Super-Majority Resolution.
<b>DIRECTORS' GENERAL PROVISIONS</b>		
Number of Directors	78.	The number of Directors shall not be less than three and not more than fifteen including the independent Directors. Provided that the Company may appoint more than fifteen directors after passing a special resolution of members.
First Directors	79.	The following shall be first Directors of the Company. 1. Shri Tek Chand Agarwal. 2. Shri Krishan Kumar Agarwal. 3. Shri Darshan Kumar Aggarwal 4. Shri Roshan Lal Agarwal. 5. Shri Narender Kumar Agarwal.
Power of Directors to Add its Number	80.	The Directors shall have power, at any time and from time to time, to appoint any person as an additional Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Articles, any director so appointed shall hold office only until the next General Meeting of the Company and shall be eligible for re-election.

Share Qualification of Directors	81.	A Director shall not be required to hold any qualification shares.
Remuneration of Directors	82	The sitting fees payable to Directors for attending a meeting of the Board or a committee of the Board or a General meeting shall be decided by the Board of Directors from time to time within the maximum limits of such fees prescribed under the provisions of - the Act. All other remuneration, if any payable by the Company to each Director, whether in respect of his services as a Managing Director or a Director in the whole or part time employment of the Company shall be determined in accordance with and subject to the provisions of the Articles and of the Act. The Directors may allow and pay to any Director who for the time being is resident out of the place at which any Meeting of the Directors may be held and who shall come to that place for the purpose of attending such meeting such sum as the Directors may consider fair and reasonable for his expenses in connection with his attending at the meeting in addition to his remuneration as above specified. If any Director being willing is appointed to an Executive Officer either whole time or part time to be called upon to perform extra services or to make any special exertions for any of the purposes of the Company then subject to provisions of the Act, the Board may remunerate such Director either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.
Continuing Directors may act	83.	The continuing Directors may act notwithstanding any vacancy in their body but so that if the numbers falls below the minimum number above fixed, the Directors shall not except for the purpose of filling vacancies or of summoning a General meeting act so long as the number is below minimum.
Directors may contract with relatives	84.	Subject to the provisions of Section 184, 188 and 192 of the Act, the Directors (including Managing Director) shall not be disqualified by reason of his or their office as such, from holding office under the Company or from contracting with the Company either as vendor purchaser, lender, agent, broker, lessor or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with a relative of such Directors or the Managing Director or with any firm in which any Director or a relative shall be a partner or with any other partner or with a private company in which such Director is a member or director interested be avoided, nor shall any Director or otherwise so contracting or being such members or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding the office or of the fiduciary relation thereby established.
Director's Liability Insurance	85.	The Company shall maintain director's liability insurance for the Directors, for a minimum amount of Rs.5,00,00,000/- (Rupees Fifty Million only) each

#### **APPOINTMENT OF DIRECTORS.**

Appointment of Directors	86.	The Company in General Meeting may subject to the provision of these Articles and the Act, at any time elects any person to be a Director and may from time to time increase or reduce the number of Directors.
Board may fill up casual vacancies	87.	If any director appointed by the Company in general meeting vacates office as a Director before his term of office will expire in the normal course the resulting casual vacancy may be filled by the Board at meeting of the Board, but any person so



appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from office of Director under Section 169 of the Act.

Alternate Director 88. Subject to the provision of Section 161 of the Act, the Board may appoint any person to act as an alternate director for a director during the later's absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of meetings of the Board and to attend and vote there at accordingly, but he shall ipso-facto vacate office if and/ when absent director returns to State in which meetings of the Board are ordinarily held or the absent Director vacates office as a Director.

**ROTATION OF DIRECTORS**

Rotation of Directors 89. (1) Not less than two-third of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation excluding the Independent Directors.

(2) At each Annual General meeting of the Company one third or such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office.

(3) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those to retire shall, in default of and subject to any agreement among themselves be determined by lot.

(4) If at any Annual General Meeting all the Directors appointed under Article 89 hereby are not exempt from retirement by rotation under Section 152 of the Act, then to the extent permitted by the said Section, the exemption shall extend to the Directors or Directors so appointed under Article 89 Subject to the foregoing provisions as between Directors appointed under any of the Articles referred to above, the Director or Directors who shall not be liable to retire by rotation shall be determined by and in accordance with their respective seniorities as may be determined by the Board.

Retiring Directors 90. A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.

Eligible for re-election 91. Subject to any resolution for reducing the number of Directors, if at any meeting at which an election of Directors ought to take place, the places of the retiring Directors not filled up, the meeting shall stand adjourned till the next succeeding day which is not a public holiday at the same time and place and if at the adjourned meeting, the places of retiring Directors are not filled up, the retiring Directors or such of them as have not had their place filled up shall be deemed to have been re-elected at the adjourned meeting.

**PROCEEDINGS OF DIRECTORS**

Meeting of 92. The Directors may meet together for the conduct of business, adjourn and otherwise

Directors		regulate their meetings and proceedings as they think fit. Notice in writing of every meeting to the Directors shall ordinarily be given by a Director or such other officers of the Company duly authorised in this behalf to every Director for the time being in India and at his usual address in India. Notice of at least 7 (seven) Days' shall be given for each Board meeting to each Director (and his/her alternate) or shorter notice as per provisions of the Act. The agenda setting out in reasonable detail the items of business proposed to be transacted at the meeting of the Board (the " <b>Agenda</b> ") for a Board meeting shall be sent to all Directors (and their alternates) at least 7 (seven) Days before the date of the meeting of the Board or shorter period as per provisions of the Act.
Quorum	93.	Subject to the provisions of these Articles the quorum for a meeting of the Directors shall be determined from time to time in accordance with the provisions of Section 174 of the Act.
Quorum of Board Meetings	94.	The quorum for a Board meeting shall be as per the provisions of Section 174 the Act.
Adjourned Board Meetings	95.	In the event a quorum (as aforesaid) is not present at a meeting duly convened in accordance with this Article, the Board meeting shall stand adjourned to the same day in the next week (or such other later date as the Chairman may decide) at the same time and place, and the Directors present at such adjourned meeting shall constitute a quorum provided that: <ul style="list-style-type: none"> <li>(i) written notice of the adjournment was given to each director and his/her alternate at their usual address for service of notices of Board meetings not less than 5 (five) days prior to the date of the adjourned meeting;</li> <li>(ii) no items are considered at the adjourned meeting which were not on the Agenda for the meeting which was adjourned; and</li> <li>(iii) the requisite quorum as per the Act is present.</li> </ul>
Summoning of meetings of Directors	96.	The Secretary may at any time and upon request of any two Directors shall summon a meeting of the Directors.
Voting at meeting	97	Subject to the provisions of Section 186(5) of the Act, questions arising at any meeting shall be decided by a majority of votes, each director having one vote and in case of an equality of votes, the Chairman shall have a second or casting vote.
Chairman of meeting	98.	The Chairman of the Board of Directors shall be the Chairman of the Meeting of Directors. Provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, the Directors present shall choose one of their member to be Chairman of such meeting.
Act of meeting	99.	A meeting of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles and the Act for the time being vested in or exercisable by the Directors generally.
To appoint committee and to	100.	The Directors may, subject to compliance of the provisions of the Act, from time to time, delegate any of their powers to Committees consisting of such

delegate power and revoke it		member or members of their body as they think fit, and may, from time to time, revoke such delegation. Any Committee so formed shall in the exercise of the powers so delegated confirm to any regulations that may, from time to time be imposed on it by the Directors. The meeting and proceedings of any such Committee, if consisting of two or more members, shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable there to and are not superseded by any regulation made by the Directors .
Validity of acts	101.	All acts done at any meeting of Directors or of a Committee of the Directors or by any person acting as a Director shall be valid notwithstanding that it be afterwards discovered that there was some default in the appointment of any such Directors, Committee or person acting as aforesaid or that they or any of them were disqualified.
Validity of acts	102.	Except resolution which the Companies Act requires in specifically to be in a Board meeting, a resolution may be passed by the Directors by circulation in accordance with the provisions of Section 175 of the Act and any such minutes of any meeting of Directors or of any Committee or of the Company if purporting to be signed by the Chairman of the such meeting or by the Chairman of next succeeding meeting shall be receivable as prima face evidence of the matters in such minutes.

### **POWER OF DIRECTORS**

General power of the Company vested in the Directors	103.	Subject to the provisions of the Act, Control of the Company shall be vested in the Directors who shall be entitled to exercise all such powers and to do all such acts and things as may be exercised or done by the Company and are not hereby or by law expressly required or directed to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of any law and of these presents, from time to time, made by the Company in General Meeting, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.
Power to delegate	104.	Without prejudice to the general powers conferred by the preceding Article the Director may, from time to time and at any time, subject to the restrictions contained in the Act, delegate to managers, secretaries officer, assistant and other employees or other persons (including any firm or body corporate) any of the powers authorised and discretions for the time being vested in the Directors.
Power to authorize sub-delegation	105.	The Directors may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
Signing of documents	106.	All deeds, agreements and documents and all cheques, promissory notes drafts, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company, shall be signed drawn, accepted or endorsed or otherwise executed, as the case may be by such persons (including any firm or body corporate) whether in the employment of the Company or not and in such manner as the Directors shall, from time to time, by resolution determine.
Management abroad	107.	The Directors may make such arrangement as may be thought fit for the management of the Company's affairs abroad, and may for this purpose (without prejudice to the generality of their powers) appoint local bodies and agents and fix their remuneration, and delegate to them such powers as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority and in the presence of and instruments sealed there in shall be signed by such persons as the Directors shall from time to time by writing under the common seal appoint. The Company may also exercise the powers of keeping Foreign Registers. Such regulations not being inconsistent with the

provisions of the Act, the Board may, from time to time, make such provisions as it may think fit relating thereto and may comply with the requirements of any local law.

- Manager or Secretary 108. As per provision of Act a manager or secretary may be appointed by the Directors on such terms, at such remuneration and upon such conditions as they may think fit, and any Manager or Secretary appointed may be removed by the Directors. A director may be appointed as Manager or Secretary, as per provision of the Act.
- Act of Director, Manager or Secretary 109. A provision of the Act or these regulations required or authorising a thing to be done by a Director, Manager or Secretary shall not be satisfied by its being done by same person acting both as director and as, or in place of the manager or secretary.

### **MANAGING DIRECTORS**

- Power to appoint Managing Director 110. Subject to the provisions of the Act-, the board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors of the Company and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his place or their places. Further subject to the approval of the Board of Directors of the Company, the Chairman of the Board of Directors of the Company can hold the position of the Managing Director and/or Chief Executive Officer of the Company at the same time.
- To what provisions he shall be subjected 111. Subject to the provisions of Section 152 of the Act, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, but he shall be counted for ascertaining the number of Directors to retire (Subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso-facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director for any cause.
- Remuneration of Managing Director 112. Subject to the provisions of the Act, a Managing director shall, in addition to the remuneration payable to him as a Director of Company under the Articles, receive such additional remunerations as may, from time to time, be sanctioned by the Company. A managing Director shall in addition to the above remuneration be entitled to the fee for attending meetings of Board or Committee of Directors.

- Power of Managing Director 113. Subject to the provisions of the Act, in particular to the prohibition and restriction contained in Section 179, 180 &181 thereof, the Board may, from time to time entrust to and confer upon Managing Director for the time being such powers exercisable under these presents by the Boards as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such powers either collaterally with, or to the exclusion of and in substitution for any of the powers of the Board in that behalf and may from time to time, revoke, withdraw, alter or vary all or any of such powers.

### **PROCEEDINGS AGAINST DIRECTORS**

- Resignation of Directors in certain cases 114. In case any director of the Company is convicted of any offence(s) by any court of competent jurisdiction in any existing or future legal proceeding, then the Company shall ensure and the Promoters shall procure that such Director shall be required to tender his resignation from the Board within a period of 15 (fifteen) Days.

### **COMMENCEMENT OF BUSINESS**

Compliance before commencement of new business 115. The Company shall not at any time commence any business of other, objects of its Memorandum of Association unless the provisions of section 11 of the act have been duly complied with by it.

### SEAL

Custody of Seal 116. The Directors shall provide for the safe custody of the seal and the Seal shall never be used except by the authority of the –Board or a Committee of the -Board previously given and one Director at least shall sign every instrument to which the seal is affixed provided nevertheless that any instrument bearing the Seal of the Company and issue for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

### DIVIDENDS

How profits shall be divisible 117. Subject to Rights of members entitled to Shares (if any) with preferential or special rights attached to them, the profits of the Company from time to time determined to be distributed as dividend on the shares in proportion to the amount of capital paid up on the shares provided that unless the Board otherwise determines all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which dividend is paid provided always that subject as aforesaid any capital paid up on a share during the period in respect of which a dividend is declared (unless the Board otherwise determines or the terms of issue otherwise provide, as the case may be), only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment but so that where capital is paid up in advance of calls such capital shall not confer a right to participate in profits.

Declaration of Dividends 118. The Company in General Meeting may declare a dividend to be paid to the members according to their interest in the profits and may, subject to the provisions of section 127 of the Act, fix the time of payment.

Restrictions on amounts of Dividends 119. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.

Dividends out of profits 120. No dividend shall be payable except out of the profits of the Company for the year or any other undistributed profits and no dividend shall carry interest as against the Company.

What to be deemed net profit 121. The declaration of the Directors as to the amount of the net profits in the audited annual accounts of the Company for any year shall be conclusive.

Interim Dividend 122. The Directors, may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

Debts may be deducted 123. The Director may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists, subject to Section 124 of the Act.

124. A transfer of shares shall not pass the rights to any dividend declared there on before the registration of the transfer.

Retention in 125. Subject to Section 124 of the Act, the Directors may retain the dividends

certain cases		payable upon shares in respect of which any person is under the transmission Article entitled to become a member or which any person under the Article is entitled to transfer, person shall duly become a member in respect thereof or shall transfer the same.
Dividend to joint holder	126.	Any one of the several persons who are registered as a joint-holders of any share may give effectual receipts of all dividends payments on account of dividends in respect of such shares.
Payment of posts	127.	Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint-holders to the registered address of that one whose name stands first on the Register in respect of the joint holding or to such person and on such address and the member or person entitled or such joint holders as the case may be, may direct and every cheque or warrant so sent shall be made payable to the person or to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint holders as the case may be may direct.
When payments good discharge	128.	The payment of every cheque or warrant sent under the provisions of the last preceding Article shall, if such cheque or warrant reports to be duly endorsed, be a good discharge to the Company in respect thereof provided nevertheless that the Company shall not be responsible for the loss of any cheque, dividend, warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.
	129	Any dividend remaining unpaid or unclaimed after having been declared shall be dealt in accordance with Section 124 of the Act and rules made thereunder.
	130	No unclaimed dividend shall be forfeited by the Board and the Company shall comply with the provisions of Act, - and Rules made thereunder in respect of such dividend.

### **BOOKS AND DOCUMENTS**

Where to be Kept	131.	The book of Account shall be kept at the registered office or at such other place as the Board may decide and when the Board so decides the Company shall, within seven days of the decision file with the Registrar of Companies a notice in writing giving the full address of that other place. The books can also be kept in electronic mode as prescribed by the Act and Rules subject to compliance of prescribed guidelines, and shall be open to inspection by the Directors during business hours
Inspection by members	132.	The Directors 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 or books or documents of the Company or any of them shall be open for inspection to members not being Directors, and no member (not being a Director) shall have any right of inspection to any books of account or documents of the Company except as conferred by law or authorised by the Board of Directors or by the Company in General meeting.
Balance Sheet and Profit and Loss account	133.	Balance Sheet and Profit and Loss Account will be audited once in a year by a qualified auditor for correctness as per provisions of the Act.
Audit	134.	The first auditors of the Company shall be appointed by the Board of Directors within one month after its incorporation who shall hold office until the conclusion of first annual general meeting.
	135.	The Directors may fill up any casual vacancy in the office of the auditors.

136. The remuneration of the auditors shall be fixed by the Company in general meeting except as otherwise decided or that remuneration of the first or any auditors appointed by the Directors may be fixed by the Directors.

### **NOTICES**

- How notices served on members 137. The Company shall comply with the provisions of Section 20, 101 and 136 of the Act and the rules made thereunder as to the serving of notices.
- Transfer etc. bound by prior notices 138. Every person who, by operation of law, or by transfer or by other means whatsoever, shall become entitled to any shares shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such share.
- Notice valid 139. Any notice or documents delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member succeeded member be there deceased and whether or not the Company has notice of his demise, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member, until some other person be registered as the holder or joint-holders thereof and such, service shall for all purposes of these presents be deemed as sufficient service of such notice or documents on his/her heirs, executors or administrators, and all persons, if any, jointly interested with him or her in any such share.
- How notice to be signed 140. The signature to any notice to be given by the Company may be written or printed.

### **SECRECY**

- No Shareholder to enter the premises of the Company without permission 141. Subject to the provisions of law of land and the Act, no member or other person (not being a Director) shall be entitled to enter upon the property of the Company or inspect or examine the Company's premises or properties of the Company without the permission of the Directors, or subject to Article 132 to require discovery or any 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 or of any matter whatsoever which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be in expedient in the interest of the members of the Company to communicate.

### **WINDING UP**

- Distribution of assets 142. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid-up at the commencement of the winding up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding-up the excess shall be distributed amongst the members in proportion to the capital, at the commencement of the winding-up, paid up or which ought to have been paid up on the share held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution of assets in specie 143. In the event of Company being wound up, whether voluntarily or otherwise, the liquidators may with the sanction of a Special Resolution divide among the contributories, in specie or in kind any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with like, shall think fit.

#### **INDEMNITY**

Indemnity 144. Subject to the provisions of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified against and it shall be the duty of the Directors to pay out of the funds of the Company all bonafide costs, losses and expenses (including travelling expenses) which any such Directors, Manager or Secretary or other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him or by them as such Director, Manager, Secretary, Officer or employee in defending any proceeding whether civil or criminal in which judgement is given in his or their favour or he or they is or are acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

Individual responsibility of Directors 145. Subject to the provisions of the Act and so far as such provisions permit, no Director, of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or act for conformity, or for any loss of expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Director for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error of judgement, omission, default, or oversight on his part or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own dishonesty.

#### **OPERATION AND MANAGEMENT**

General Management 146. Each shareholder shall exercise its powers in relation to the Company and (subject to their fiduciary duties) in relation to the Directors nominated by them so as to ensure that:  
(a) the Company carries on its Business and conducts its affairs for its own benefit; and  
(b) the Company complies with the provisions of the Agreement.

Further Assurances 147. Each shareholder agrees to perform (or procure the performance of) all further acts and things, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required by Law or as the other Parties may reasonably require, whether on or after the Completion Date, to implement and give effect to the Agreement.

Agreement to Vote 148. In addition to their obligations under the Agreement, the Parties agree and undertake that they shall at all times be just and true to each other, act in good faith and use or exercise, or refrain from using or exercising, the votes attached to the Equity Shares held by them to ensure and procure that the terms of the Agreement are fully complied



with and generally to do all things reasonably within their power which are necessary or desirable to give effect to the spirit and intent of the Agreement. The Parties shall also cause their respective representatives, nominee Directors, and appointees (including on the Board and at any meetings of the shareholders and the Board committees) to exercise, or refrain from using or exercising their voting rights, and perform any action within their power and control so as to ensure full compliance with the terms of the Agreement and to ensure that there is no violation of the terms and conditions set forth in the Agreement.

Specific Performance and Injunctions 149. The Parties agree that damages may not be an adequate remedy for any breach of the Agreement and a Party shall therefore be entitled as against any of the other Parties to the remedy of specific performance, injunction and other equitable relief for any threatened or actual breach of the Agreement.

Name and Addresses Occupation, description of subscribers	Signature of subscriber	Signature of witness with address, description and Occupation
1. TEK CHAND AGARWAL s/o Sh. Balu Ram R/o 128, Vivek Anand Puri Delhi (Business)	Sd/ Tek Chand	
2. ROSHAN LAL AGARWAL s/o Sh. Tek Chand Agarwal R/o 128, Vivek Anand Puri Delhi (Business)	Sd/ Roshan Lal Agarwal	
3. DARSHAN KUMAR AGARWAL s/o Sh. Tek Chand Agarwal R/o 128, Vivek Anand Puri Delhi (Business)	Sd/ Darshan Kumar Agarwal	I witness the signature of all the subscribers
4. NARENDER KUMAR AGARWAL s/o Sh. Tek Chand Agarwal R/o 128, Vivek Anand Puri Delhi (Business)	Sd/ Narender Kumar Agarwal	Sd/ Vinod Kumar Bindal S/o Late Sh. Sushil Kumar Bindal G-1/16, Ansari Road, Darya Ganj New Delhi-110002 Chartered Accountant
5. KRISHAN KUMAR AGARWAL s/o Sh. Tek Chand Agarwal R/o 128, Vivek Anand Puri Delhi (Business)	Sd/ Krishan Kumar Agarwal	

Place : New Delhi

Dated 24.11.86