

THE COMPANIES ACT, 2013  
COMPANY LIMITED BY SHARES  
(Incorporated under the Companies Act, 2013)

**ARTICLES OF ASSOCIATION  
OF  
KD LEISURES LIMITED**

The following regulations comprised in these Articles of Association were adopted pursuant to special resolution passed by member through postal ballot on 25<sup>th</sup> Day of January, 2018 in substitution for, and to the entire exclusion (except particulars of subscribers to the articles of association), of the earlier regulations comprised in the extant Articles of Association of the Company.

**PRELIMINARY**

1. The regulations contained in the Table 'F' in the Schedule I of 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 expressly incorporated herein below or by the Companies Act, 2013.
2. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or deletion or alteration or modification or addition to its regulations by special resolutions and registration of the same with the Registrar as prescribed or permitted or required by the Companies Act, 2013, be such as are contained in these Articles.

**INTERPRETATION**

3. In these Articles:
  - a) "Act" means the Companies Act, 2013 (hereinafter referred to as 'the Act') including Rules made there under or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
  - b) "Annual General Meeting" means the annual general meeting of the Company convened and held in accordance with the Act.
  - c) "Articles" or "Articles of Association" means these articles of association of the Company as originally framed or as altered from time to time and registered with Ministry of Corporate Affairs/Registrar of Companies from time to time



- d) "Board of Directors" or "Board", in relation to a company means the collective body of the directors of the Company.
- e) "Capital" means the share capital for the time being raised or authorized to be raised for the purposes of the Company.
- f) "Company" means **KD LEISURES LIMITED**.
- g) "Debenture holders" means the duly registered holders from time to time of the debentures of the Company and shall include in case of debentures held by a Depository, the beneficial owners whose names are recorded as such with the Depository. "Dividend" includes interim dividend unless otherwise stated.
- h) "Dividend" includes interim dividend unless otherwise stated.
- i) "Electronic mode" means any communication by way of media like teleconferencing, videoconferencing and any other electronic media.
- j) "Extraordinary General Meeting" means an extraordinary meeting of the Company convened and held in accordance with the Act.
- k) "Financial Year" shall have the meaning assigned thereto by the Act.
- l) "Independent Director" shall mean an independent director as defined under the Act and under Regulation 16(1)(b) of the Listing Regulations;
- m) "India" shall mean the Republic of India;
- n) "Law" shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and Securities Exchange Board of India, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles;
- o) "Lien" shall mean any kind of security interest of whatsoever nature including any (i) mortgage, charge (whether fixed or floating), pledge, Lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing or conferring any priority of payment in respect of, any obligation of any person;
- p) "MCA" shall mean the Ministry of Corporate Affairs, Government of India;
- q) "Managing Director" means the Managing Director for the time being of the Company.
- r) "Member" means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in

case of shares held by a Depository, the Beneficial Owners whose names are recorded as such with the Depository.

- s) "Memorandum of Association" means the Memorandum of Association of the Company as originally framed or altered from time to time.
  - t) "Month" means the English Calendar month.
  - u) "Office" means the Registered Office for the time being of the Company.
  - v) "Register" means the Registers of the Company to be maintained pursuant to the provisions of the Act.
  - w) "Registrar" means the Registrar of Companies.
  - x) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
  - y) "Seal" means the common seal of the Company.
  - z) "SEBI" shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992;
  - aa) "Transfer" means (in either the noun or the verb form and including all conjugations thereof with their correlative meanings) with respect to the shares, the sale, assignment, transfer or other disposition (whether for or without consideration, whether directly or indirectly) of any shares or of any interest therein or the creation of any third party interest in or over the shares, but excluding any renunciation of any right to subscribe for any shares offered pursuant to a rights issue to existing shareholders in proportion to their existing shareholding in the Company.
  - bb) "Writing" and "Written" means and includes words, hand written, printed, typewritten, lithographed, represented or reproduced in any mode in a visible form.
4. Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.
  5. Expressions referring to writing shall be construed as including references to printing lithography, photography and other modes of representing or reproducing words in a visible form.
  6. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.

#### **SHARE CAPITAL**

7. The authorized share capital of the Company shall be such amount as is given in Clause V of the Memorandum of Association.

8. Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose-off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
9. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.
10. Subject to the provisions of the Act and Rules, the Company shall have the power to issue Preferences Shares which are or at the option of the Company are liable to be redeemed on or before the expiry of a period of 20 years from the date of their issue and the resolution authorizing such issue shall prescribed the manner, terms and conditions of redemption.
11. Every person whose name is entered as a member in the register of members shall be entitled to receive share certificates within one months after the allotment or within 15 days from the date of receipt by the Company, of the application complete in all respect for the registration of transfer or transmission or within such other period as the conditions of issue shall provide:
  - 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 such charges as may be fixed by the Board for each certificate after the first.
12. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon. 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 share to one of several joint holders shall be sufficient delivery to all such holders.
13. 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 Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.

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

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

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

#### **UNDERWRITING AND BROKERAGE**

16. Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

17. The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.

18. That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings.

#### **TRANSFER OF SHARES**

19. The Company shall use a common form of transfer.

20. The registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever

21. The instrument of transfer of any share and other securities in the Company shall be in such form as may be prescribed under the Act. The aforesaid securities transfer form shall be executed by or on behalf of both the Transferor and Transferee. The Transferor shall be deemed to remain the holder of such shares until the name of the Transferee is entered in the Register of Members in respect thereof.

22. Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.
23. The Board may, subject to the right to appeal conferred by section 58 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.
24. The Company shall have first and paramount Lien:
- a) upon every share (except the fully paid up shares) registered in the name of each member, (whether solely or jointly with others);
  - b) upon the proceeds sale thereof for moneys called or payable at a fixed time in respect of shares (except the fully paid up shares); and
  - c) The Company's Lien, if any, on a Share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
25. The Board may decline to recognize any instrument of transfer unless:-
- a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
  - b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - c) the instrument of transfer is in respect of only one class of shares.
26. On giving of previous notice of at least seven days or such period as may be prescribed under the Act and Rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. However such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in aggregate in any year.
27. The registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever except where the Company has a Lien on shares. Further, any contract or arrangement between 2 (two) or more persons in respect of the Transfer shall be enforceable as a contract.

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

### **TRANSMISSION OF SHARES**

29. 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 recognized by the Company as having any title to his interest in the shares. Nothing in this article 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.

30. Subject to provisions of Articles, 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. 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.

A Person becoming entitled to a share by reason of the death or insolvency of a member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a member in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

31. 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.

32. The Company shall be fully indemnified by such person for all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

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

## FORFEITURE OF SHARES

34. If any Member fails to pay the whole or any part of any call or installment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Board may at any time thereafter during such time as the call or installment or any part thereof and other moneys remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person, if any, entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.
35. The notice shall name a day (not less than fourteen (14) days from the date of service of the notice) on or before which and the place or places at which such call, installment or such part thereof and other moneys as aforesaid and such interest and expenses as aforesaid are to be paid, and if payable to any person other than the Company, the person to whom such payment is to be made.

The notice shall also state that in the event of non-payment on or before the time and if payable to any person other than the Company, at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.
36. If the requirement of any such notice as aforesaid is not be complied with, every or any of the shares in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installment, interest and expenses and other moneys due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited shares and not actually paid before the forfeiture.
37. The Board may at any time before any share so forfeited shall have been sold or otherwise disposed of or re-allotted, annul the forfeiture thereof upon such conditions as they think fit.
38. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but such a person shall notwithstanding such forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest, expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture but shall not be under any obligation to do so.
39. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

40. a) 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;
- b) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute document w.r.t. transfer of the share in favour of the person to whom the share is sold or disposed of;
- c) The transferee shall thereupon be registered as the holder of the share; and
- d) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.
41. The foregoing provisions of Articles as regard forfeiture of shares shall, mutatis mutandis, apply to other securities including debentures of the Company.

#### **ALTERATION OF CAPITAL**

42. Subject to the provisions of the Act, the Company may by ordinary resolution:-
- a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
- b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;  
Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;
- c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- e) 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;
- f) cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its Share Capital by the amount of the shares so cancelled.

Provided that the cancellation of shares as mentioned herein above shall not be deemed to be a reduction of share capital

43. Where share are converted into stock,-

a) the holder of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulation 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 right, privileges and advantage as regards dividends, voting at meeting 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 profit 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 "shareholders" in those regulations shall include "stock" and stock-holder" respectively.

44. The Company may from time to time in accordance with the provisions of the Act and by resolution passed the shareholders of the Company, reduce its share capital in any manner and in accordance with the provisions of the Act and the Rules made there under.

#### **CAPITALIZATION OF PROFITS**

45. (i) 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

(ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(iii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (iii), either in or towards:

a) paying up any amounts for the time being unpaid on any shares held by such

members respectively:

- b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
  - d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
  - e) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
46. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall: (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and (b) generally do all acts and things required to give effect thereto. (ii) The Board shall have power: (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and (b) to authorize 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 capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares; (iii) Any agreement made under such authority shall be effective and binding on such members.
47. For the purpose of issuance of bonus shares, Board is authorized to take all such other actions as may be necessary for that purpose; provided it is permissible to do so under the Act and Rules.

#### **BUY-BACK OF SHARES**

48. Notwithstanding anything contained in these Articles but subject to the applicable provisions of the Act and other applicable laws for the time being in force and as amended from time to time, the Company may purchase its own Equity shares or other Securities.

#### **REDUCTION OF CAPITAL**

49. The Company may from time to time in accordance with the provisions of the Act by resolution as specified in the Act, reduce:
- a) its share capital; and/ or,
  - b) any capital redemption reserve account; and or,
  - c) securities premium account; and or,
  - d) any other reserve in the nature of share capital.

and in particular may pay off any paid-up share capital upon the footing that it may be called up again or otherwise and may, if and so far as is necessary, alter its Memorandum of Association by reducing the amount of its share capital and of its shares accordingly.

### **GENERAL MEETINGS**

50. All general meetings other than annual general meeting shall be called extraordinary general meeting. The Board may, whenever it thinks fit, call an extraordinary general meeting.
51. The Board may, whenever it thinks fit, call an extra ordinary general meeting.
52. 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.
53. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to transact the business. The quorum for general meeting shall be as provided in the Act.
54. No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.
55. The Chairperson of the Board shall preside as Chairperson at every general meeting of the Company. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of the Director to be Chairperson of the meeting and if no Director present be willing to take the Chair, the members present shall elect one of their members to be the Chairman of the Meeting.
56. On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.
57. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013 and Rules made there under.
58. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.
59. The register of charges, register of investments, register of Shareholders, books of accounts and the minutes of the meetings of the Board and Shareholders shall be kept

at the registered office of the Company and shall be open, during Business hours, for such periods not being less in the aggregate than 2(two) hours in each day as the Board determines, for the inspection of any member without charge. In the event such member conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

60. Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred above, Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.
61. The Chairperson may, with the consent of any meeting at which quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### **VOTING RIGHTS**

62. Subject to any rights or restrictions for the time being attached to any class or classes of shares:-
- a) on a show of hands, every member present in person shall have one vote;
  - b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company; i.e. one fully paid up share- one vote
  - c) on e-voting, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company; i.e. one fully paid up share- one vote.

Provided that a proxy shall not have the right to speak at such a meeting and shall not be entitled to vote except on a poll.

63. A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.
64. 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.

65. 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.
66. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
67. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of Lien.
68. a) 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 purpose.
- b) Any such objection made in due time shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.

#### **PROXY**

69. Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.
70. An instrument appointing a proxy shall be in the form as prescribed in the Act. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
71. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.

#### **BOARD OF DIRECTORS**

72. Subject to the provisions of the Act and unless otherwise determined by the Company in its general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen).

73. The first director shall be appointed by the subscribers to the Memorandum & Articles of Association.
74. The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act and rules made there under. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. Remuneration may be paid as fixed monthly remuneration and also as a commission based on profits.
75. Sitting fees, subject to ceiling as provided in the Act, may be paid to the directors other than managing director, joint managing director and whole-time director.
76. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company or in connection with the business of the Company.
77. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
78. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
79. Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.
80. If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated

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

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

82. The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.
83. The quorum for a Board meeting shall be as provided in the Act.
84. The participation of directors in a meeting of the Board/Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law and participation in the Board meeting as mentioned above shall be counted for the purpose of quorum.
85. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
86. The continuing directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
87. The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of them to be Chairperson of the meeting.
88. 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 or managing director or any other principal officer of the company except for those matters which are compulsorily required to be transacted only at the meeting of the board and delegation of such power is not permitted under the Act. Board while delegating the power to any Committee or person shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
89. A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be a Chairperson of the meeting.
90. A Committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present. In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

91. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
92. Save as otherwise expressly provided in the Act, a resolution passed by circulation in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.
93. The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.
94. The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such members or members of its body as it thinks fit.
95. 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.

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

96. Subject to the provisions of the Act, A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
97. A director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

#### **THE SEAL**

98. 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 authorized by it on that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person

as the Board may appoint for the purpose; and such director or manager or 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**

99. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.
100. Any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared,
101. There will be no forfeiture of unclaimed dividend before the claim becomes barred by law.
102. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount, on such class of shares, and at such times as it may think fit.
103. 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 applied 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.
104. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.
105. Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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.
106. Every such cheque or warrant shall be made payable on the order of the person to whom it is sent.
107. Any 1 (one) of 2 (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.

108. 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.

109. No dividend shall bear interest against the Company.

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

(b) The Board may retain dividends payable upon shares in respect of which any person is, under the transmission, entitled to become a member, until such person shall become a member in respect of such shares.

### **ACCOUNTS**

111. Company shall prepare and keep at its books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of affairs of the Company, and that of its branch offices, and explain the transactions effected both at the registered office and its branch offices and such books shall be kept on accrual basis and according to double entry system of accounting. Books of accounts may also be maintained in electronic form.

112. The Books of Account shall be kept at the Registered Office or at such other place in India as the Directors think fit.

113. The Company shall preserve in good order the books of accounts relating to a period of not less than eight years preceding the current year together with vouchers relevant to entries in such books of accounts.

114. The books of account and books and papers of the Company, or any of them, shall be open for the inspection by directors in accordance with the applicable provisions of the Act and the Rules.

115. No member (not being a director) shall have any right of inspecting any books of account or books and papers or documents of the Company except as conferred by law or authorised by the Board.

### **WINDING UP**

116. Subject to the applicable provisions of the Act and the Rules made there under:-

- a) 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.

- b) 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.
- c) 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 AND INSURANCE**

117. Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer or employee of the Company shall be indemnified by the Company against any liability and it shall be the duty of Directors, out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which any such director, manager, company secretary and officer or employee may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or employee or in any way in the discharge of his duties in such capacity including expenses.

118. Subject as aforesaid, every director, managing director, manager, company secretary or other officer or employee of the Company shall be indemnified 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 discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

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

#### **SECURITY CLAUSE**

120. Any confidential information disclosed to a Member or Director shall not be used by him for any purpose other than for the exercise of rights or performance of obligation as a Member or Director of the Company and shall not be disclosed by him to any person, firm or Company.

#### **INDEMNITY**

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

Name, description, occupation, and address of each subscriber	Signature of subscribers	Name, address, description occupation and signature of witness or witnesses
1. Shri Gopal Khemka S/o Shri Shyam Sunder Lal Khemka N-256, Greater Kailash-I New Delhi (Business)	Sd/-	<p>I hereby witness the signatures of all the subscribers.</p> <p>Sd/-</p> <p>V. K. Jain S/o Sh. Prem Chand Jain Partner of O. P. Bagla &amp; Co. Chartered Accountants C-312, Defence Colony, New Delhi M. No. 50327</p>
2. Vijay Kumar Khemka S/o Shri Shyam Sunder Lal N-256, Greater Kailash New Delhi-110048 Business	Sd/-	
3. Ashok Kumar Khemka S/o Shri Shyam Sunder Lal Khemka N-256, Greater Kailash-I New Delhi Business	Sd/-	
4. Anand Kumar Khemka S/o Shri Shyam Sunder Lal Khemka 4727, Cloth Market, Delhi-110006 Business	Sd/-	
5. Sudhir Kumar Raizade S/o Late Sh. Jagmohan Lal Raizade D-13, Kalindi Colony, New Delhi-110065 Business	Sd/-	
6. R. Umashankar S/o Late Shri O. V. Ramadurai 4727, Cloth Market, Delhi Service	Sd/-	
7. Sumer Chand Jain S/o Late Sh. Daroga Mal Jain 4727, Cloth Market, Delhi Service	Sd/-	

Place : New Delhi Dated 16th day of March, 1981

