

(THE COMPANIES ACT, 2013)
(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION

OF

K G DENIM LIMITED

PRELIMINARY

1. Subject as hereinafter provided the Regulation contained in Table F in the Schedule -I to the Companies Act, 2013 shall apply to the Company except in so far as the same are modified herein, whether expressly or otherwise.

INTERPRETATION

2. (1) In these Regulations

- a) "Act" means the Companies Act, 2013, and any statutory modification thereof.
- b) "Board" or "Board of Directors" shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles; and shall include committee thereof;
- c) "Company" means K G DENIM LIMITED
- d) "Directors" means the Directors appointed to the Board of the Company
- e) "Key Managerial Personnel" means the persons as defined in Section 2(51) of the Act.
- f) "Auditors" or "Auditor" means the auditor or auditors of the Company appointed in pursuance of the provisions of Section 139 of the Act.
- g) "Dividend" includes interim dividend
- h) "Financial Statements" shall have the meaning ascribed to it in Section 2(40) of the Act
- i) "General Meeting" shall mean a meeting of the members including an Annual General Meeting or an Extra ordinary general meeting as the

context may require at the intervals and in accordance with the provisions of the Act;"

- j) "Depository" means a depository as defined under Clause (e) of subsection (1) of Section (2) of the Depositories Act.
- k) "Member" or "Shareholder" means a Person as defined in Section 2(55) of the Act.
- l) "Lien" includes any right, title or interest existing or created or purporting to exist or to be created by way of or in the nature of pledge, hypothecation, license, hire-purchase, lease, mortgage, charge, co-ownership, attachment, claim, security interest, mortgage, security agreement, option, encumbrance, or restriction on voting, or the process of any court, tribunal or other authority, or any statutory liabilities which are recoverable by sale of property, or any other third party rights or encumbrances generally;
- m) "Office" means the Registered Office of the Company.
- n) "Seal" means the Common Seal of the Company

(2) Unless the context otherwise requires words or expressions contained in these Articles shall be the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

PUBLIC COMPANY

- 3. The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013 with a minimum paid up share capital as may be prescribed .

SHARE CAPITAL AND VARIATION OF RIGHTS

- 4. The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.

5. The Company shall be entitled to dematerialise its Securities pursuant to the Depositories Act, 1996, and to offer its Securities for issue in dematerialised form.
6. All the Securities in the capital of the Company, other than those held in dematerialised form, shall be numbered consecutively.
7. The Shares shall be under the discretionary control of the Directors who may allot or otherwise dispose of the same.
8. The Company in general meeting may decide to issue fully paid up bonus share to the member if so recommended by the Board of Directors.
9. The Company may issue sweat equity shares subject to the provisions of Section 54 of the Act and any other related provisions as may be required for the time being in force
10. The certificate to share registered in the name of two or more person shall be delivered to first named person in the register and this shall be sufficient delivery to all such holders.
11. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months from the date of incorporation, in case of subscribers to the memorandum or within two months from the date of allotment or within one month from the date of receipt of the instrument of transfer/transmission and within a period of six months from the date of allotment in the case of any allotment of debenture,-
 - a) One certificate for all his shares/debenture without payment of any charges;
or
 - b) Several certificates, each for one or more of his shares/ debenture, upon payment of twenty **rupees** for each certificate after the first or such other amount as may be prescribed in this behalf from time to time under the applicable sections of the Acto.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon

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

12. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
13. The provisions of Articles (9) and (10) shall *mutatis mutandis* apply to debentures of the company.
14. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) and equitable, contingent, future or any partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
15. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
16. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice

thereof) and equitable, contingent, future or any partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

17. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under. The Commission may be paid by cash or the allotment of fully or partly paid shares or partly in one way and partly in the other .
18. Where the share capital of the company is divided into different classes of shares, the rights attached may varied in accordance with the provisions of Section 48 with the consent in writing of the holders of not less than three fourths of the issued shares of that class or by means of a special resolution passed at a separate meeting of the holders of the issued shares of that class .
19. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *paripassu* therewith.
20. Subject to the provisions of section 55, any preference shares may, with the sanction of a Special resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

21. The Company shall have a first and paramount lien upon all the shares (not being a fully paid up share) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or

discharge thereof shall have actually alien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 124 and bonuses declared from time to time in respect of such shares under the Act. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.

CALLS ON SHARES

22. Where any calls for further share capital are made on the shares of a class, such calls shall be made on a uniform basis on all shares falling under that class.
23. The Company may accept from any member, the whole or a part of the amount remaining unpaid on any shares held by him, even if no part of that amount has been called up. However, the member shall not be entitled to any voting rights in respect of the amount paid by him until the amount has been called up.

TRANSFER OF SHARES

24. The Company shall not register transfer of shares of the company , other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a property instrument of transfer, in such the form prescribed, duly stamped, dated and executed by or on behalf of the transferor and the transferee and specifying the name, address and occupation, if any of the transferee has been delivered to the company by the transferor or the transferee within a period of sixty days from the date of execution, along with the certificate relating to the securities, or if no such certificate is in existence , along with the letter of allotment of securities
25. Where the Instrument of transfer has been lost of the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity.
26. In respect of transfer of all securities , all procedural requirement as specified in Listing Obligations & Disclosure Requirements Regulations 2015 as amended from time to time shall be complied with.

TRANSMISSIONS OF SHARES

27. 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.. However, nothing 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.
28. At the death of any members his or her shares be recognized as the property of his or her heirs upon production of reasonable evidence as may required by the Board of Directors.
29. 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 (i)to be registered himself as a holder of the share; or (ii)to make such transfer of the share as the deceased or insolvent member could have made. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
30. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be titled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

31. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment as is unpaid, together with any interest which may have accrued.
32. The notice aforesaid shall (a) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
33. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
34. A forfeited share may be sold or otherwise disposed on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
35. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of shares. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
36. A duly verified declaration in writing that the declared 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.

37. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
38. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

REGISTER OF MEMBERS

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

COMPANY NOT LIABLE FOR DISCHARGE OF A NOTICE PROHIBITING REGISTRATION OF A TRANSFER

40. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Securities made or purporting to be made by any apparent legal owner thereof as shown or appearing in the Register of Members / register of the relevant security holders to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Securities, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice, prohibiting registration of such transfer and may have entered such notice, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any

equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

NO CHARGE IN CERTAIN CASES

41. There shall be no charge for :

- (a) registration of Securities or debentures;
- (b) sub-division and /or consolidation of shares and debenture certificates and subdivision on letters of allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit of trading;
- (c) sub-division of renounceable Letters of Right;
- (d) issue of new certificates in replacement of those which are decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilized;
- (e) registration of any powers of attorney, letter or administration and similar other documents.

ALTERATION OF CAPITAL

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

43. Subject to the provisions of section 61, the company may, by ordinary resolution, -

- a) Consolidate and divide all or any of its share capital into shares of Larger amount than its existing shares;
- b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.
- c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

- d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

44. Where the shares are converted into stock,-

- a) The holders of the stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

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

45. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, -

- a) Its share capital;
- b) Any capital redemption reserve account; or
- c) Any share premium account.

CAPITALISATION OF PROFITS

46. 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.

47. The sum aforesaid shall not be paid in cash but shall be applied, subject to the applicable provisions of the Act), either in or towards -

- a) Paying up any amounts for the time being unpaid on any shares held by such members respectively;
- b) Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- c) Partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
- d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

48. Whenever such a resolution as aforesaid shall have been passed, the Board shall (a) Make all appropriations and applications of the undivided profits Resolved to be Capitalised thereby, and all allotments and issues of fully paid shares if any; and (b) Generally do all acts and things required to give effect thereto.

49. 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 there to, 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 capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

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

BUY- BACK OF SHARES

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

GENERAL MEETINGS

52. All general meetings other than annual general meeting shall be called extraordinary general meeting.

53. The Board may, whenever it thinks fit, call an extraordinary general meeting.

54. 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.

Notice of Meeting

55. Save as provided in Section 101 of the Act, not less than clear 21 day's notice shall be given of every General Meeting of the Company either in writing or through electronic mode.

56. Every notice of a General Meeting shall specify the place, date, day, and hour of the General Meeting and shall contain a statement of the business to be transacted thereat.

57. Notice of every General Meeting of the Company shall be given to;

- (a) every Member of the Company, legal representative of any deceased member or the assignee of an insolvent member;
- (b) the auditor or auditors of the Company
- (c) every Director of the Company.
- (d) to every trustee for the debenture holder of any debentures issued by the Company.

58. The accidental omission to give any such notice to or the non-receipt of such notice by any Member or other person who is entitled to receive the notice of such meeting shall not invalidate the proceedings of the general meeting.

ANNUAL RETURNS

59. The annual return, filed by the Company shall be certified by a company secretary in practice in the prescribed form, stating that the annual return discloses the facts correctly and adequately and that the company has complied with all the provisions of the Act.

PROCEEDINGS AT GENERAL MEETING

60. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

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

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

63. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

64. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

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

VOTING RIGHTS AND PROXY

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

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

68. 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.

69. 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.

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

71. 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.

72. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final.

73. 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 of 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.

74. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

75. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

76. The number of Directors shall not be less than Three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution:

77. The Directors may from time to time, appoint one or more of their body to the office of the Managing Director for one or more divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit and the Directors of the Company need not Retire by Rotation.

78. Subject to the provisions of section 149, The Board of Directors, at any time and from time to time, to appoint any person as additional Director in addition to the existing Director so that the total number of Directors shall not at any time exceed the number fixed for Directors in these articles, Any Directors so appointed shall hold office only until the next following Annual General Meeting but shall be eligible thereof for election as Director. Further the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central

Government or the State Government by virtue of its shareholding in a Government company.

79. The Board of Directors shall have power at any time, and from time to time to appoint an Alternate Director to act for a Director during his absence for a continuous period of not less than three months from the State in which meetings of the Board of Directors are ordinarily held .
80. The Managing Director may be paid such remuneration as may, from time to time, be determined by the Board and such remuneration as may be fixed by way of salary or commission or participation in profits or partly in one way or partly in another subject to the provisions of the Companies Act , 2013.
81. The quorum necessary for the transaction, of the business of the Board meeting subject to Section 174 of the Act, shall be one third of the total strength or at least two whichever is higher. The participation of the directors by video conferencing or by other audio visual means shall also be count for the purpose of quorum.
82. Subject to section 175 of the Act, a resolution in writing signed by the Director except a resolution which the Act specifically required to be passed at a Board meeting shall be effective for all purposes as a resolution passed at a meeting of Directors duly called, held and constituted.

PROCEEDINGS OF THE BOARD

83. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
84. A Director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
85. Save as otherwise expressly provided in the Act, questions arising at any meeting the Board shall be decided by a majority votes.
86. In case of an equality of votes, the Chairperson of the Board, if any shall have a second or casting vote.

87. 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.
88. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
89. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their members to be Chairperson of the meeting.
90. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
91. A committee may elect a Chairperson of its meeting.
92. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their member to be Chairperson of the meeting.
93. A committee may meet and adjourn as it thinks fit.
94. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an enquiry of votes, the Chairperson shall have a second or casting vote.
95. 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 after wards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

96. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee, thereof, for the time being entitled to receive notice of a meeting of a 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.

KEY MANAGERIAL PERSONNEL

97. Subject to Section 203 of the Act, the Board shall appoint a Managing Director, Whole-time Director, Chief Executive Officer, Company Secretary, Chief Financial Officer and other Officers as may be prescribed on such terms and conditions and on such remuneration as may be approved by the Board and may remove a Managing Director, Whole-time Director, Chief Executive Officer, Company Secretary, Chief Financial Officer and other Officers as may be prescribed by means of resolution of the Board.

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

98. Subject to the provisions of the Act, a chief executive officer, manager 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 resolution of the Board;

99. A director may be appointed as a Chief Executive Officer, Manager or Chief Financial Officer.

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

COMMON SEAL

101. The Common Seal of the Company may be made either of metal or of rubber as the directors may decide.
102. The Board shall provide for the safe custody of the Company's Common Seal.
103. The Seal 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 in that behalf and except in the presence of at least one director who shall sign every instrument to which the seal of the Company is so affixed. The share certificate will, however, be signed and sealed in accordance with Rule prescribed by Central Government in this regard.

BORROWING POWERS

104. Subject to the provisions of section 73, 79, 179 and 180 of the Companies Act, 2013 and Regulations made there under and directions issued by the RBI the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member or other persons, companies or banks or they may themselves advance money to the company on such interest as may be approved by the Directors.
105. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge, or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

OPERATION OF BANK ACCOUNTS

106. The Directors shall have the power to open bank accounts to sign cheques on behalf of the Company and to operate all banking accounts through net banking, electronic fund transfer or otherwise of the Company and to receive payments, make endorsements, draw and accept

negotiable instruments, hundies and bills or may authorise any other person or persons to exercise such powers.

DIVIDENDS AND RESERVE

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

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

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

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

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

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

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

114. 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.
115. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheques 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.
116. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
117. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
118. 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.
119. No dividend shall bear interest against the company.

ACCOUNTS

120. The Board shall, from time to time, determine whether and to what extent and at what, times and places and under what conditions or regulation the accounts and books of the Company or any of them shall be open to the inspection of members (not being Director).
121. No members (not being Director) shall have any right of inspecting any accounts or books of account of the Company except as conferred by law or authorised by the board or by the Company in General Meeting.
122. The Directors shall in all respect comply with the provisions of Section 129, 134, 136, 137, 206, 207 and 208 of the Act, and Profits and Loss Account, Balance Sheet and Auditors Report and every other document required by law to annexed or attached as the case may be, to the Balance Sheet, to be sent to every member and debenture holder of

the Company and every trustee for the holders of the debentures issued by the company at least twenty one days before the date of Annual General Meeting of the Company at which they are to be laid, subject to the provisions of section 136 of the Act.

AUDIT

123. At first Annual General Meeting the Company shall appoint an Auditor to hold Office from the conclusion of the Meeting till the conclusion of its sixth Annual General Meeting and thereafter till the conclusion of every six meeting.

124. The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.

AUDITORS

125. Subject to the provisions of the Act, once at least in every year the books of account of the Company shall be audited by one or more auditor or auditors.

126. The appointment, powers, rights, remuneration and duties of the auditors shall be regulated by Sections 139 to 146 and Section 148 of the Act.

SERVICE OF DOCUMENTS

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

128. A document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address or by such electronic transmission or other mode as may be prescribed . Provided a member may request for delivery of any document through a particular mode for which he shall pay such fees as may be determined by the Company in its annual general meeting .

129. Every Financial statement may be sent by the Company (i) by electronic mode to such members whose shareholding is in dematerialized format and whose email Ids are registered with Depository for communication purposes; (ii) where Shareholding is held otherwise than by dematerialized format, to such members who have positively consented in writing for receiving by electronic mode; and (iii) By dispatch of physical copies through any recognized mode of delivery as specified under section 20 of the Act, in all other cases.

WINDING UP

130. Winding up when necessary will be done in accordance with the requirements of the Companies Act, 2013 or statutory modification thereto.

SECRECY

131. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

INDEMNITY

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