

No. 11- 17505

FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME.

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,  
BOMBAY

In the matter of \* HOTCHAND HIRANAND LIMITED

I hereby approve and signify in writing under  
section 21 of the Companies Act, 1956 (Act I of 1956) read  
with the Govt. of India, Dept. of Company Affairs,  
Notification No. G.O. 1113 dated the 24th June, 1985  
the change of name of the company.

FROM HOTCHAND HIRANAND LIMITED

TO SOVEREIGN DIAMONDS LIMITED

and I hereby certify that HOTCHAND HIRANAND LIMITED

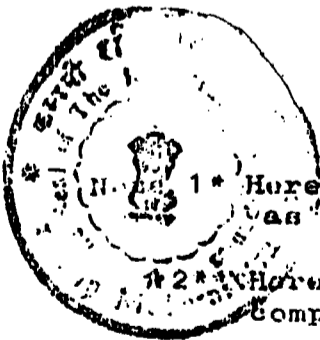
which was originally incorporated on THIRTYFIRST  
day of MAY 19 74 under the \*\* COMPANIES Act, 19 56  
and under the name HOTCHAND HIRANAND PRIVATE LIMITED

having duly passed the necessary resolution in terms of  
section 21/~~22(1)(a)~~/~~22(1)(b)~~ of the Companies Act, 1956  
the name of the said company is this day changed TO

SOVEREIGN DIAMONDS LIMITED

and this certificate is issued pursuant to section 23(1)  
of the said Act.

GIVEN UNDER MY HAND AT BOMBAY THIS TWENTYSEVENTH  
DAY of DECEMBER 1991 (One thousand nine hundred ninety ONE



*G. Srinivasan*  
(G. SRINIVASAN)  
REGISTRAR OF COMPANIES  
MAHARASHTRA, B' BAY.

\* 1 \* Here give the name of the company  
as existing prior to change.

\* 2 \* Here give the name of the Act(s) under which  
Company was originally registered and incorporated.

(X) Deleted word 'Pvt'  
U/s. 43A (IA) W.E.F 1/7/89



Sd/-  
Asstt. Registrar of Companies  
Maharashtra, Bombay  
26/2/90

॥ सत्यमेव जयते ॥

शास्त्र भार. भार.  
Form I. R.  
निगमन का प्रमाण-पत्र  
CERTIFICATE OF INCORPORATION

ता.....का. से.....

No..... 17505 .....of ..... 1974-75 .....

मैं एतद्वारा प्रमाणित करता हूँ कि आज

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह कम्पनी  
परिमित है।

(X)  
I hereby certify that **HOTCHAND HIRANAND PRIVATE LIMITED**  
is this day incorporated under the Companies Act, 1956 (No. 1 of 1956)  
and that the Company is limited.

नर हस्ताक्षर से आज ता. .... को दिया गया।

Given under my hand at **BOMBAY** this **THIRTYFIRST** day of  
**MAY** One Thousand Nine Hundred and **SEVENTYFOUR**.



Sd/-

(D. J. BISWAS)  
Registrar of Companies  
Maharashtra

**MEMORANDUM OF ASSOCIATION**

**OF**

**SOVEREIGN DIAMONDS LIMITED**

- I. The name of the Company is SOVEREIGN DIAMONDS LIMITED.
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The objects for which the Company is established are :-
  - (A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :
    1. To act as exporters and importers of and dealers in :-
      - (i) Precious stones, diamonds etc. of all descriptions and types;
      - (ii) Textile goods of all descriptions and type including cotton textiles, woollen goods, silk goods, goods made out of man-made fibres and ready-made goods;
      - (iii) Handicrafts and cottage industries products.
    2. To act as builders, constructors, contractors, dealers in real estate, estate agents and dealers in all types of building materials.

3. To construct or take or hire a building or buildings for running Hotels and/or Restaurants and/or to acquire on lease or otherwise any running Hotel or Restaurant and to run such Hotels and/or Restaurants and to enter into all transactions incidental to running of a Hotel and/or a Restaurant and to carry on business as proprietors and/or managers of Hotels and/or Restaurants.

**(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS :-**

4. To develop and turn to account any land acquired by the Company or in which the Company is interested, by laying out and preparing the same for building purposes, by constructing, any buildings, or structures thereon, by altering, pulling down, decorating, by painting, furnishing, fitting up, and improving any buildings or structures thereon, and by planting, paving, draining, framing or cultivating the land by leasing out the land etc.
5. To manage land, buildings, and other property whether belonging to the Company or not, and to collect rents and income, and to supply to tenants and occupiers, and others, refreshments, messengers, light, waiting rooms, reading rooms, meeting rooms, laundry convenience, electric conveniences and other advantages.
6. To advance and lend money to builders, tenants and others who may be willing to build on or improve and land or buildings in which the Company is interested, and generally to enter into any arrangements with such persons on such terms as may be agreed.
7. To convey or assign specific portion or portions of the premises belonging to or held by the Company to the member or members of the Company in consideration of their or his or her or its subscribing for and paying for requisite shares of the Company and/or for cash and for the aforesaid purposes to enter into necessary agreements with such

and/or for cash and for the aforesaid purposes to enter into necessary agreements with such members and to execute the necessary conveyance assignment or other assurance in favour of such member.

8. To carry on the business of designers, makers, manufacturers and dealers of doors, windows, rolling shutters, door and window frames of all kinds and for all purposes made out of metal, wood, hardboard, plywood, plastic or any other material or the combination of two or more of them and to deal in re-rolling of sections.
9. To acquire and take over any business or undertaking carried on, upon, or in connection with, any land or building which the Company may desire to acquire as aforesaid, or become interested in, and the whole or any of the assets and liabilities of such business or undertaking, and to carry on the same, or to dispose of, remove, or put an end thereto, or otherwise deal with the same as may seem expedient.
10. To construct, maintain, improve, develop, work, control, and manage any water works, gasworks, reservoirs, roads, tramways, electric power, heat and light supply works, telephone works, hotel, clubs, restaurants, baths, places of workshop, places of amusement, pleasure grounds, parks, gardens, reading rooms, shops, and other works and conveniences which the Company may think directly or indirectly conducive to these objects, and to contribute or otherwise assist or take part in the construction maintenance, development, working, control, and management thereof.
11. To buy, sell, manufacture, alter, repair, improve exchange, hire, manipulate, treat, prepare for market, export, import and generally deal in plants machinery, apparatus, tools, utensils, commodities products, materials, merchandise, articles and things whatever which may be found convenient for carrying out any of the objects of the Company.

12. To buy, sell, manufacture, repair, alter, exchange, let on hire, export and deal in kinds of articles and things which may be required for purposes of any of the said businesses or commonly supplied or dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection with any of the businesses.
13. To carry on by purchase or otherwise any other trade or business of whatsoever nature allied to any of the Company's business or as can in the opinion of the Company advantageously or conveniently be carried or by way of extension of or in connection with any of the Company's business or to increase the value of, or to turn to account any of the Company's assets, property or rights.
14. To pay out of the Company's funds the costs and expenses incurred in connection with all matters preliminary and incidental to the formation, promotion and incorporation of this Company and the costs and expenses incurred in connection with all matters preliminary and incidental to the formation and incorporation of any company which may be promoted by this Company.
15. To appoint agents or agencies, to open branches or other offices for the purpose of advertising, selling, exhibiting keeping or disposing of goods and other merchandise in connection with the Company's objects.
16. To apply for, purchase or otherwise acquire any patents, processes, devices, licences, concessions and the like conferring an exclusive or non-exclusive or limited use, any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem to be expedient or convenient or calculated directly or indirectly to benefit this Company and to use, exercise,

develop or grant licences in respect of or otherwise turn to account the property, rights and information so acquired.

17. To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures or other securities of the Company or in or about the formation or promotion of the Company or conduct of its business.
18. To place to reserve or to distribute as dividend, bonus or bonus shares among the members, or otherwise to apply as the Company may from time to time think fit any money belonging to the Company and any money received in respect of dividends accrued on forfeited shares from unclaimed dividends.
19. To borrow or raise money on any terms without security or on the security of land, building, factories, machinery, tools, bills of exchange, promissory notes, bonds, bills of lading, warrant, stocks, shares, debentures book-debts, undertaking of the Company and properties of every description on any one or more of them.
20. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, hundies, bills of lading, debentures and other negotiable or transferable instruments.
21. To make any loan to any person on any terms whatsoever and to give guarantee or provide any security in connection with any loan made or agreed to be made by any other person, firm, or body corporate for any purpose whatsoever and on terms whatsoever the Company shall not, however, carry on business of Banking as defined in the Banking Companies Act, 1949.

22. To form, manage, join or subscribe to any syndicate, association, chamber of commerce or other bodies.
23. To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.
24. To amalgamate with any other company having objects altogether or in part similar to those of this Company.
25. To advertise, exhibit in any form whatsoever the merchandise or goods or articles belonging to or acquired by the Company.
26. To enter into partnership or any other form of association of individual arrangement for sharing profits, co-operation joint venture, reciprocal concession, licence or otherwise with any firm, association, society or body corporate carrying on or engaged in or about to carry on or engage in any business or transaction capable of being conducted so as directly or indirectly to benefit the Company and to give any special rights, licences and privileges in connection therewith and in particular the right to nominate one or more persons whether they be shareholders or not, to be directors of the Company.
27. To contribute and subscribe or guarantee money for charitable or benevolent objects and funds or for the welfare of the employees or any exhibition or for any useful objects and make donations in cash or otherwise to such bodies, firms or persons and in such cases as the Company may think conducive to the attainment of any of its objects or is otherwise expedient.
28. To contribute to the funds of any association or to any individual firm or body corporate which in the

opinion of the Company is beneficial to the Company, subject to the provisions of the Companies Act, 1956.

29. To pay for any rights, properties, licences, privileges or concessions acquired by the Company and to remunerate any person or persons, firm or body corporate thereof whether by cash payment or by the allotment of shares, debentures, or other securities of the Company credited as fully or partly paid up or otherwise.
30. To sell, let or lease the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for the shares, debentures or securities of any other company having objects altogether or in part similar to those of the Company.
31. To purchase or take on lease or in exchange, hire or otherwise acquire any movable or immovable properties and any rights or privileges which the Company may think necessary or expedient for the purpose of its business and in particular any land, building, works and easement and on such terms as may be deemed useful.
32. To undertake and execute any trust which may be of benefit to the Company directly or indirectly.
33. To get the Company to be registered or recognised in any foreign country.
34. To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

**(C) OTHER OBJECTS :-**

35. To carry on all or any of the business of timber, plumber, iron and wood merchants, importers and exporters, ship and barge owners and dealers in all kinds of plants and to purchase, take on lease or otherwise acquire, plant, cut and deal in forest or timber lands and estate of every description.

36. To carry on the business of mechanical engineers, electrical engineers, sanitary and water engineers and plumbers and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in machinery, in implement, and hardware of all kinds.
37. To carry on the business of proprietors and managers of theatres, cinemas, pictureplaces and concert-halls and to provide for the production, representation and performance of operas, stage play, operettas, ballets, pantomines, spectacular pieces, promenade and other musical and dramatic performances and entertainments.
38. To transact or carry on all kinds of agency business and the business of manufactures, exporters and importers of and dealers in all types of articles and things.
39. To purchase or otherwise acquire and to sell, exchange, surrender, lease, mortgage, charge, convert, turn into account, dispose of and deal in all kinds of agricultural lands, property and rights.
40. To cultivate, grow, produce or deal in any agricultural produce including vegetables and fruits and to carry on the business of farmers including poultry farming, dairymen, milk contractors, dairy farmers, millers, surveyors and vendors of milk, cream, cheese butter, poultry, and provisions of all kinds, growers of and sellers in corn, hay, and straw, seedsmen and nursery men and to buy, sell and trade in any goods, usually trade in any of the above business, or any other business associated with the farming interest which may be advantageously carried on by the Company.

IV. The liability of the member is limited.

V. The Authorised Share Capital of the Company is Rs.6,00,00,000/- (Rupees Six Crore only) divided into 60,00,000 (Sixty Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each with

the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company: The Company shall have power to increase or reduce or consolidate or sub-divide the Capital of the Company for time being and from time to time divide the shares of the new capital into several classes and denomination and to issue any shares of the original or further capital of the Company for time being with such preferential qualified or special rights, privileges or conditions attached thereto respectively including rights to dividends in the distribution of assets of the Company from time to time in accordance with the Articles of Association of the Company and subject to the provisions of the Companies Act, 1956, for the time being.

\* \* \* \* \*

We, the several persons, whose names and addresses are hereunder subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names :

Name, description address and occupation of the Subscribers	No. of Equity Shares taken by each Subscriber	Witness Witnesses
1. Ramesh Hotchand Gehani, Son of Hotchand Hiranand Businessman. 26, Ramchandra Building, 280, Lokmanya Tilak Marg, Bombay-400 002.	10 Ten Equity	
2. Jethanand Hotchand Gehani, Son of Hotchand Hiranand Businessman, 85, Zaveri Bhavan, Old Hanuman Lane, Kalbadevi Road, Bombay-400 002..	10 Ten Equity	Witness for all three Signatures Vishnubhai Bhagwandas Haribhakti  Address: 19-21, Hamam Street, Bombay-400 001. Date : 18-4-1974
3. Gobind Hotchand Gehani, Son of Hotchand Hiranand Businessman, 26, Ramchandra Building, 280, Lokmanya Tilak Marg, Bombay-400 002.	10 Ten Equity	
TOTAL	30 (Thirty)	

Dated this 18th day of April, One Thousand Nine Hundred and Seventy Four

THE COMPANIES ACT, 2013  
COMPANY LIMITED BY SHARES  
(Incorporated under the Companies Act, 1956)  
ARTICLES OF ASSOCIATION  
OF  
**SOVEREIGN DIAMONDS LIMITED**

The following regulations comprised in these Articles of Association were adopted pursuant to the resolution passed by the members the 44<sup>th</sup> Annual General Meeting of the Company held on 31<sup>st</sup> August, 2018, in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

**1. CONSTITUTION OF THE COMPANY**

- i. The regulations contained in Table “F” of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles.
- ii. The regulations for the management of the Company and for the observance by the members thereto and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

**2. INTERPRETATION**

- a. In the interpretation of these Articles, the following words and expressions shall have the following meaning assigned thereunder, unless repugnant to the subject or context thereof.

**“The Act” or “the said Act”**

“The Act” or “the said Act” means the Companies Act, 2013 read with the relevant Rules 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.

**“Articles”**

“Articles” means these articles of association of the Company or as altered from time to time.

**“Board of Directors” or “Board”**

“Board of Directors” or “Board”, means the collective body of the directors of the Company.

**“The Company” or “This Company”**

“The Company” or “This Company” means ***SOVEREIGN DIAMONDS LIMITED***.

**“Rules”**

“Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

**“Seal”**

“Seal” means the common seal for the time being of the company.

- b. 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.
- c. 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.

**3. GENERAL AUTHORITY**

**The things prescribed in the Act to be done only if authorised by Articles, hereby generally authorized.**

Wherever the Act or the Rules provide that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its Articles, then and in that case this article hereby authorises and empowers the Company to have such right, privilege or authority and to carry such transaction as have been permitted by the Act without there being any specific articles in that behalf herein provided.

**4. SHARE CAPITAL**

- i. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
- ii. 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.
- iii. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:
  - a. Equity share capital:
    - with voting rights; and / or;
    - with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
  - b. Preference share capital

## **5. PREFERENCE SHARES**

The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or non-cumulative basis, preference shares whether convertible or non-convertible and to be redeemed in any manner permissible under the Act and the Board may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

## **6. UNDERWRITING AND BROKERAGE**

### **Commission may be paid**

The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities or any other instrument as may be permitted by law, 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 the Act and the Rules. The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

### **Brokerage**

The company may pay a reasonable sum for brokerage.

## **7. SHARE CERTIFICATE**

- i. Every person whose name is entered as a member in the register of members shall be entitled to receive-
  - a. within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or;
  - b. within such other period as the conditions of issue shall provide –
    - one certificate for all his shares without payment of any charges; or
    - 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.
- ii. Every certificate shall be under the Seal (where the Company has a 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.
- iv. The Company shall be entitled to dematerialise its existing Shares, rematerialise its Shares held in the depository and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act and the regulations framed thereunder, if any.

- v. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 deems adequate, being given, a new Certificate in lieu thereof shall be given. Every Certificate under the Articles shall be issued on payment of such fees as may be fixed by the Board.
- vi. The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities or any other instrument as may be permitted by law including debentures (except where the Act otherwise requires) of the Company.

## **8. CALLS**

- i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
- ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- iii. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.
- iv. A call may be revoked or postponed at the discretion of the Board.
- v. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
- vi. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- vii. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.
- viii. The Board shall be at liberty to waive payment of any such interest wholly or in part.
- ix. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

- x. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- xi. The Board –
  - a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
  - b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable by him.
- xii. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder. All calls shall be made on a uniform basis on all shares falling under the same class.  
  
*Explanation:* Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
- xiii. Neither a judgment nor a decree in favour of the Company for calls or other monies due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.
- xiv. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities or any other instrument as may be permitted by law including debentures of the Company.

## **9. FORFEITURE OF SHARES**

- i. If a member fails to pay any call or installment of a call or any money due in respect of any share, 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 remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

- ii. 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.
- iii. 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.
- iv. Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited shares and not actually paid before the forfeiture.
- v. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.
- vi. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.
- vii. A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit. At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- viii. 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, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. 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.

- ix. 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;
- x. The Company may receive the consideration, if any, given for the share on any sale, re-allotment 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;
- xi. The transferee shall thereupon be registered as the holder of the share;
- xii. 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.
- xiii. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.
- xiv. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.
- xv. The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.
- xvi. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
- xvii. The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities or any other instrument as may be permitted by law including debentures of the Company.

## **10. COMPANY'S LIEN**

- i. The Company shall have a first and paramount lien –
  - a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

- b. on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:

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

- ii. The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.
- iii. Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made-

- a. unless a sum in respect of which the lien exists is presently payable; or
  - b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.
- iv. Validity of sale:
    - a. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
    - b. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
  - v. The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
  - vi. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.
  - vii. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
  - viii. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

- ix. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities or any other instrument as may be permitted by law including debentures of the Company.

## **11. TRANSFER OF SHARES**

- i. The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
- ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- iii. The Board may, subject to the right of appeal conferred by the Act decline to register –
  - a. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - b. any transfer of shares on which the Company has a lien.
- iv. In case of shares held in physical form, the Board may decline to recognise 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.
- v. On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
- vi. The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities or any other instrument as may be permitted by law including debentures of the Company.

## **12. TRANSMISSION OF SHARES**

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

- ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- iii. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –
  - a. to be registered himself as holder of the share; or
  - b. to make such transfer of the share as the deceased or insolvent member could have made.

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

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

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

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

- vi. The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities or any other instrument as may be permitted by law including debentures of the Company.
- vii. No fee shall be payable to the Company in respect of transfer or transmission of any shares in the Company.

### **13. FURTHER ISSUE OF SHARES**

- i. 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 in proportion, as nearly as circumstances admit, to the paid up share capital on those shares by sending a letter of offer subject to that:
    - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer if not accepted shall be deemed to have been declined.
    - (ii) 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 if it is authorized by special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b) above.
- ii. 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.

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

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

### **15. A. ALTERATION OF SHARE CAPITAL**

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. 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.

Provided that the cancellation of shares pursuant to the actions as above shall not be deemed to be reduction of share capital within the meaning of the Act.

## **B. CONVERSION INTO STOCK**

Where shares are converted into stock:

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

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

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

## **C. REDUCTION OF SHARE CAPITAL**

The Company may, by special resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, -

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

## **16. VARIATION OF MEMBERS RIGHTS**

- i. Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of the Act and applicable Laws, and whether or not the Company is being wound up, be varied provided the same is effected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.

- ii. The provisions of these Articles relating to general meetings *shall mutatis mutandis* apply to every such separate meeting.
- iii. 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.

## **17. JOINT HOLDERS**

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

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

## **18. CHAIRMAN**

- i. The Chairman of the Board shall preside as Chairman at every General Meeting of the Company.

- ii. If there is no such Chairman of the Board or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman.
- iii. If no Director is present or if all the Directors present decline to take the Chair, then the members present shall elect one of their members to be the Chairman of the meeting.
- iv. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.
- v. 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 Chairman shall have a second or casting vote.

## **19. GENERAL MEETING**

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.

## **20. PROCEEDINGS AT GENERAL MEETING**

- i. Except as provided in the said Act, no general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business a statement of which has not been specified in the notice convening the meeting.
- ii. No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.
- iii. 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.
- iv. The quorum for a general meeting shall be as provided in the Act.
- v. The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company.
- vi. 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.
- vii. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by show of hands or poll, choose one of their members to be Chairperson of the meeting.
- viii. 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 or electronically, the Chairperson shall have a second or casting vote.

- ix. A. The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.
- B. There shall not be included in the minutes any matter which, in the opinion of the Chairman of the meeting –
  - a. is, or could reasonably be regarded, as defamatory of any person; or
  - b. is irrelevant or immaterial to the proceedings; or
  - c. is detrimental to the interests of the Company.
- C. The Chairman shall exercise an absolute discretion in regard to the inclusion or non- inclusion of any matter in the minutes on the grounds as specified above.
- D. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.
- x. A. The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:
  - be kept at the registered office of the Company or such other place as the Board may decide; and
  - be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.
- B. 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 to in clause (A) above.
- xi. The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

## **21. ADJOURNMENT OF GENERAL MEETING**

- i. The Chairman may, *suomotu* or 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.
- ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

- iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## **22. VOTING RIGHTS**

- i. 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.
- ii. A member may exercise his vote at a meeting either by electronic means or otherwise in accordance with the Act and shall vote only once.
- iii. 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.

- iv. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If a member is a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.
- v. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- vi. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- vii. 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.
- viii. A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.
- ix. Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

- x. A preference share holder shall not be entitled to vote at general meetings of the Company except as provided under the Act.

## **23. PROXY**

- i. 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.
- ii. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in case of poll, not less than 24 hours before the time appointed for taking the poll, and in default the instrument of proxy shall not be treated as valid.
- iii. An instrument appointing a proxy shall be in the form as prescribed in the Rules.
- iv. 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.

- v. In case of e-voting, a member shall be deemed to have exercised his voting rights by himself, even if any other person had voted using the log in credentials of that member.

## **24. DIRECTORS**

- i. Subject to the applicable provisions of the Act, the number of directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing special resolution at a general meeting.
- ii. The Company may, and subject to the provisions of the Act, remove any director before the expiration of his period of office and appoint another director.
- iii. 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.
- iv. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

- v. 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 by an ordinary resolution passed by the Company in general meeting.
- vi. 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 -
  - (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
  - (b) in connection with the business of the Company.

## **25. RETIREMENT OF DIRECTORS BY ROTATION**

At every Annual General Meeting of the Company, one-third of such of the Directors as are liable to retire by rotation in accordance with the Act (excluding Independent Directors, Nominee Directors and Alternate Directors), or, if their number is not three or a multiple of three then the number nearest to one-third shall retire from office and they will be eligible for re-election.

The directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

## **26. APPOINTMENT OF ALTERNATE DIRECTORS**

- i. The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.
- ii. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
- iii. If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

## **27. CASUAL VACANCY AND ADDITIONAL DIRECTORS**

- i. 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 upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.

- ii. 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.
- iii. 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.

## **28. A. NOMINEE DIRECTOR**

The Company may agree with any financial institution, Company or any other authority, person, State or institution that in consideration of any loan or financial assistance of any kind whatsoever which may be rendered by it, it shall have power to nominate such number of directors on the Board of Directors of the Company as may be agreed and from time to time remove and re-appoint them and to fill in vacancy caused by such directors otherwise ceasing to hold office. Such nominated Directors shall not be liable to retire by rotation.

## **B. DEBENTURE DIRECTOR**

Any Trust deed for securing debentures may provide for the right of debenture trustee to appoint and nominate and from time to time remove and reappoint a director or directors, in accordance with the provisions of the trust deed securing the said debentures. Such director shall have all the rights and privileges of a director of the Company, except in so far as is otherwise provided for herein or by the trust deed securing the debentures.

## **29. POWERS OF THE BOARD**

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

## **30. BORROWING**

- i. Subject to the provisions of the Act, the Company may, from time to time, by a resolution passed at a meeting of the Board, borrow money either in form of advance of calls, bonds, debentures, debenture-stock or otherwise, or secure the payment of monies for the purposes of the Company not exceeding the limits of aggregate of the paid up share capital of the Company and its free reserves as provided in the Act. Provided, however, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aforesaid aggregate, the Directors shall not borrow such monies without the consent of the Company in General Meeting.

- ii. The directors may, by a resolution passed at a meeting of the Board, raise or secure the payment or repayment of any monies borrowed in such a manner and upon such terms and conditions in all respects as they think fit and, in particular by the issue of bonds, or debentures of the Company or any mortgage, charge or other security upon all or any part of the undertaking or property of the Company (both present and future) including its uncalled capital for the time being.
- iii. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company, shall be under the control of the Board who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

### **31. PROCEEDINGS OF THE BOARD OF DIRECTORS**

- i. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- ii. The Secretary, as directed by a Director, or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act.
- iii. The quorum for a Board meeting shall be as provided in the Act.
- iv. The participation of directors in a meeting of the Board 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. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. Each director shall have one vote. In case of an equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.
- v. 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.
- vi. The Chairman of the Company shall be the Chairman at meetings of the Board. In his absence, the Board may elect a Chairman of its meetings and determine the period for which he is to hold office. If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their member to be Chairman of the meeting.
- vii. 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.
- viii. 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. The participation of directors in a meeting of the 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.

- ix. A Committee may elect a Chairman of its meetings unless the Board, while constituting a Committee, has appointed a Chairman of such Committee.
- x. If no such Chairman is elected, or if at any meeting the Chairman 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 Chairman of the meeting.
- xi. 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. Each Committee member shall have one vote. In case of an equality of votes, the Chairman of the Committee shall have a second or casting vote.
- xii. 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.
- xiii. Save as provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.

## **32. MINUTES OF BOARD OF DIRECTORS AND COMMITTEE MEETINGS**

- i. The Company shall cause minutes of all proceedings of meetings of its Board of Directors or of committees of the Board, to be entered in books kept for the purpose.
- ii. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- iii. All appointments of officers made at any time of the meetings aforesaid shall be included in the minutes of the meeting.
- iv. There shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting:
  - a. is or could reasonably be regarded as defamatory of any person;
  - b. is irrelevant to the interests of the Company; or
  - c. is detrimental to the interests of the Company.
- v. Any such minutes, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.

- vi. Where the minutes have been kept in accordance with clause (i) hereof; then until the contrary is proved, the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and the resolution passed by circulation, other permitted means shall be construed to have been duly passed, and in particular all appointments of Directors, Key Managerial Personnel, Auditors or Company Secretary in practice, made at the meeting shall be deemed to be valid, including the matters that are required to be transacted at a meeting of the Board as specified in the said Act.

**33. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER**

- i. Subject to the provisions of the Act, -

A chief executive officer, manager, company secretary and 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 and 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.

- ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

**34. REGISTERS TO BE MAINTAINED BY THE COMPANY**

- i. The Company shall keep and maintain at its registered office or any other place as may be permitted by act, all statutory registers and in such manner and containing such particulars as prescribed by the Act and the Rules.
- ii. The registers which as per the Act are open for inspection and copies of annual return shall be available for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. In the event such person 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.
- iii. The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.
- iv. The foreign register shall be open for inspection and may be closed and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.
- v. Save as otherwise expressly provided in the Act or these Articles, Registers requiring authentication by the Company may be signed by any key managerial personnel, director or such other person authorized by the Board and need not be under its Seal.

**35. POWERS TO APPOINT MANAGING DIRECTOR AND WHOLE-TIME DIRECTORS**

Subject to the provisions of the Act and of these Articles, the Directors may from time to time appoint one or more persons to be Managing Director / Whole-time Director or Managing Directors, Whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit and may from time to time (subject to the provisions of any contract between him or them) remove from office and appoint another or others in his or their place or places. The Directors may wherever they appoint more than one Managing Directors, designate one or more of them as “Joint Managing Director” or “Joint Managing Directors” or “Deputy Managing Directors” or “Deputy Managing Director” and accordingly, the expression “Managing Director” shall also include and be deemed to include the “Joint Managing Director” or the “Deputy Managing Director” as the case may be.

**36. MANAGING DIRECTOR WILL NOT BE SUBJECT TO RETIREMENT BY ROTATION**

Subject to the provisions of the Act and of these Articles, a Managing Director shall not while he continues to hold that office, be subject to retirement by rotation but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall, ipso facto, and immediately cease to be a Managing Director if he ceases to hold office of Director for any cause. Provided that at any time the number of Directors (including the Managing Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for time being, then such Managing Director or Managing Directors as the Board of Directors shall from time to time select shall be liable to retirement by rotation to the intent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being. A Managing Director who is re-elected as a Director immediately on retirement by rotation shall continue to hold his office of Managing Director and such re-election as Director shall not be deemed to constitute a break in his appointment as Managing Director.

**37. POWERS AND DUTIES OF MANAGING DIRECTOR AND WHOLE-TIME DIRECTOR**

Subject to the superintendence, control and direction of the Board of Directors the day to day management of the company shall be in the hands of the Managing Director and/or whole-time directors. The directors may from time to time entrust to and confer upon a Managing Director and whole-time director for the time being save as hereafter in this Article provided such of the powers exercisable under their rights by the directors as they may think fit, and may confer rights by the directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient, and they may, subject to the provisions of the Act and these Articles, confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the directors in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers.

### **38. SEAL**

The Board of Director may provide a Common Seal for the Company, and shall have power to destroy the same and substitute or not substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal, if any, for the time being. The Seal shall never be used except by the authority of the Board or a Committee of the Board previously given and in presence of the Director of the Company or some other person appointed by the Director for the purpose.

Every Deed or other instrument to which the Seal is required to be affixed shall unless the same is executed by a duly constituted attorney be signed by any Director or the Secretary or such other person(s) as may be duly authorized by the Board or a Committee of the Board for the purposes.

The Company shall not have a Common Seal, if the Board in its sole discretion so decides.

### **39. DIVIDEND**

- i. 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.
- ii. Subject to the provisions of the Act, the Board may from time to time pay to the members interim dividends of such amount on such class of shares and at such times as it may think fit.
- iii. 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 equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- iv. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- v. 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.
- vi. The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.
- vii. 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.

- viii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- ix. Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made. 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.
- x. No dividend shall bear interest against the Company. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

#### **40. CAPITALISATION OF PROFITS AND RESERVES**

- i. The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve -
  - a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii) below, either in or towards:
  - a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - b. paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).
- iii. A securities premium account and a capital redemption reserve account or any other permissible reserve account may, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

- iv. Whenever such a resolution as aforesaid shall have been passed, the Board shall -
  - a. make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and
  - b. generally do all acts and things required to give effect thereto.
- v. The Board shall have power -
  - a. to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and
  - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares. Any agreement made under such authority shall be effective and binding on such members.

#### **41. ACCOUNTS**

- i. The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.
- ii. No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.

#### **42. WINDING UP**

- i. Subject to the applicable provisions of the Act and the Rules made thereunder -
  - 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.
- ii. 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.

#### **43. INDEMNITY AND INSURANCE**

- i. Subject to the provisions of the Act, every Director, Managing Director, Whole-Time Director, Manager, Company Secretary and other Officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, Company secretary and officer 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 in any way in the discharge of his duties in such capacity including expenses.
- ii. Subject as aforesaid, every Director, Managing Director, Manager, Company Secretary or other Officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.
- iii. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

#### **44. SERVICE OF NOTICE**

Document or notice may be served or sent by the Company on or to any member either personally or by sending it by courier, registered post, speed post or leaving it at its registered office or by means of electronic mode or other mode as may be prescribed under the Act at his registered address or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for serving documents or notices to him.

#### **45. SECRECY**

- i. Every Director, Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- ii. No member shall be entitled to visit or inspect the Company's works without the permission of the directors or the Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the directors or the Managing Directors it will be inexpedient in the interest of the members of the Company to communicate to the public.

We, the several persons, whose names and addresses are hereunder subscribed, are desirous of being formed into a Company in pursuance of this Article of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names :

Name, description address and occupation of the Subscribers	No. of Equity Shares taken by each Subscriber	Witness Witnesses
1. Ramesh Hotchand Gehani, Son of Hotchand Hiranand Businessman. 26, Ramchandra Building, 280, Lokmanya Tilak Marg, Bombay-400 002.	10 Ten Equity	Witness for all three Signatures Vishnubhai Bhagwandas Haribhakti  Address: 19-21, Hamam Street, Bombay-400 001. Date : 18-4-1974
2. Jethanand Hotchand Gehani, Son of Hotchand Hiranand Businessman, 85, Zaveri Bhavan, Old Hanuman Lane, Kalbadevi Road, Bombay-400 002..	10 Ten Equity	
3. Gobind Hotchand Gehani, Son of Hotchand Hiranand Businessman, 26, Ramchandra Building, 280, Lokmanya Tilak Marg, Bombay-400 002.	10 Ten Equity	
TOTAL	30 (Thirty)	

Dated this 18th day of April, One Thousand Nine Hundred and Seventy Four

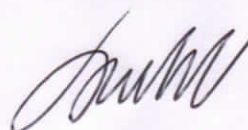
**CERTIFIED TRUE COPY OF A SPECIAL RESOLUTION PASSED BY THE MEMBERS IN THE FORTY FOURTH ANNUAL GENERAL MEETING OF SOVEREIGN DIAMONDS LIMITED HELD ON FRIDAY, 31<sup>ST</sup> AUGUST, 2018 AT 04.30 P.M. AT THE PARADISE BY TUNGA, ELITE HALL, 6<sup>TH</sup> FLOOR, HEGDE HOTELS (INDIA) PVT. LTD., MIDC, CENTRAL ROAD, ANDHERI (E), MUMBAI – 400 093.**

**ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY**

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution.”

**CERTIFIED TO BE TRUE  
FOR SOVEREIGN DIAMONDS LIMITED**



**AJAY GEHANI  
MANAGING DIRECTOR**

**Information required as per Regulation 7 of Companies (Registration Offices and Fees) Rules, 2014:**

Details of person signing the document:

Name	Mr. Ajay Gehani
Designation	Managing Director
Director Identification Number	00062989
Permanent Address	92, Rambha, Petit Hall, 66, Nepean Sea Road, Mumbai – 400 006.