
**MEMORANDUM
AND
ARTICLES
OF
ASSOCIATION
OF
SHARE INDIA SECURITIES
LIMITED**



सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Corporate Identity Number: L67120GJ1994PLC115132

SECTION 13(5) OF THE COMPANIES ACT, 2013

Certificate of Registration of Regional Director order for Change of State

M/s SHARE INDIA SECURITIES LIMITED. having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Uttar Pradesh to the Gujarat and such alteration having been confirmed by an order of Regional Director bearing the date 13/07/2020.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Ahmedabad this Thirtieth day of July Two thousand twenty.



MANOJA KUMAR SAHU

Registrar of Companies

RoC - Ahmedabad

Mailing Address as per record available in Registrar of Companies

office:
SHARE INDIA SECURITIES LIMITED.

UNIT NO 604A-B 605A-B 6TH FLR TOWER A WORLD TRADE, CENTRE GIFT CITY
BLOCK-51 ZONE-5 ROAD 5E GIFT CITY, GANDHINAGAR, Gandhinagar, Gujarat, India,
382355





भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, उत्तर प्रदेश

कम्पनी अधिनियम, 1956 की धारा 18(3)

राज्य परिवर्तित करने के संबंध में, कम्पनी विधि बोर्ड के आदेश के पंजीकरण से संबंधित प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U67120UP1994PLC050209

मैसर्स SHARE INDIA SECURITIES LIMITED.

ने अपने विशेष विनिश्चय द्वारा, इसके पंजीकृत कार्यालय को दिल्ली राज्य से उत्तर प्रदेश राज्य में स्थानान्तरित करने के निमित्त अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है और इस परिवर्तन की पुष्टि

New Delhi, Company Law Board, New Delhi

के दिनांक 17/04/2012 के आदेश द्वारा किए जाने पर,

मैं, यह सत्यापित करता हूँ कि उक्त आदेश की सत्यापित प्रतिलिपि को आज पंजीकृत कर लिया गया है।

कानपुर में, यह प्रमाण-पत्र, आज दिनांक दो मई दो हजार बारह को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Uttar Pradesh

SECTION 18(3) OF THE COMPANIES ACT, 1956
Certificate of Registration of Company Law Board order for Change of State

Corporate Identity Number : U67120UP1994PLC050209

M/s SHARE INDIA SECURITIES LIMITED. having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Delhi to the Uttar Pradesh and such alteration having been confirmed by an order of New Delhi, Company Law Board, New Delhi bearing the date 17/04/2012.

I hereby certify that a certified copy of the said order has this day been registered.

Given at Kanpur this Second day of May Two Thousand Twelve.



Registrar of Companies, Uttar Pradesh

कम्पनी रजिस्ट्रार, उत्तर प्रदेश

*Note: The corresponding form has been approved by SANJAY BOSE, Assistant Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.
The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

SHARE INDIA SECURITIES LIMITED.

6TH MILESTONE, NEW BHAI-CHARA COMPLEX,, OPP MATA MANDIR, CHIKAMBARPUR

UP BORDER,

SAHIBABAD - 201006,

Uttar Pradesh, INDIA



भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U67120DL1994PLC108970

मैसर्स FMS SECURITIES LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
FMS SECURITIES LIMITED

जो मूल रूप में दिनांक बारह जुलाई उन्नीस सौ चौरानवे को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
FMS SECURITIES LIMITED

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि 507 (अ) दिनांक 24.8.1985 एस्.आर.एन. A88924733 दिनांक 15/07/2010 के द्वारा
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स
SHARE INDIA SECURITIES LIMITED.

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा दिल्ली में आज दिनांक पंद्रह जुलाई दो हजार दस को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, National Capital Territory of Delhi and Haryana

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : U67120DL1994PLC108970

In the matter of M/s FMS SECURITIES LIMITED

I hereby certify that FMS SECURITIES LIMITED which was originally incorporated on Twelfth day of July Nineteen
Hundred Ninety Four under the Companies Act, 1956 (No. 1 of 1956) as FMS SECURITIES LIMITED having duly
passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central
Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read
with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated
24/06/1985 vide SRN A88924733 dated 15/07/2010 the name of the said company is this day changed to SHARE
INDIA SECURITIES LIMITED. and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Delhi this Fifteenth day of July Two Thousand Ten .




(MANMOHAN JUNEJA)

कम्पनी रजिस्ट्रार / Registrar of Companies

राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

National Capital Territory of Delhi and Haryana

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

SHARE INDIA SECURITIES LIMITED.

A-66, FIRST FLOOR, GURU NANAK PURA,, VIKAS MARG,,

DELHI - 110092,

Delhi, INDIA

COMPANY NO. U67120DL2000PLC108970

(SECTION 18(3) OF COMPANIES ACT, 1956)

M/s. FMS Securities Limited having by special resolution altered the provisions of its Memorandum of Association with respect to place of the Registered Office by changing it from the State of Assam to the NCT of Delhi and such alteration having been confirmed by an order of CLB Eastern Region Bench vide C.P. No. 59(17)/ERB/2000 bearing the date 9-8-2000.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at NEW DELHI this Twenty First day of December Two Thousand.



Sd/-
(DINESH CHAND)
Dy. Registrar of Companies,
NCT of Delhi & Haryana



सत्यमेव जयते

प्रारूप० आई० आर०

Form I. R.

निगमन का प्रमाण पत्र

Certificate of Incorporation

ता०.....की० स०.....

No.02-04175.....of.....1994-95.....

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज

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

I hereby certify that FMS SECURITIES LIMITED

.....
is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and
that the Company is limited.

मेरे हस्ताक्षर से आज ता०.....को दिया गया।

Given under my hand at SHILLONG this 12th (Twelfth) day of July One
thousand nine hundred and NINETY FOUR.

Sd/-

(D. N. PEGU)

कम्पनियों का रजिस्ट्रार

Registrar of Companies

Assam, Meghalaya, Manipur, Tripura, Nagaland,
Arunachal Pradesh & Mizoram, Shillong

COMPANY NO. 02-04175



सत्यमेव जयते

Certificate for Commencement of Business

Pursuant of Section 149(3) of the Companies Act, 1956

I hereby certify that the FMS SECURITIES LIMITED which was incorporated under the Companies Act, 1956 on the 12th day of July 1994, and which has this day filed a duly verified declaration in this prescribed form that the conditions of section 149(1)(a) to (d)/149(2)(a) to (c) of the said act have been complied with is entitled to commence business.

Given under my hand at SHILLONG this 20th day of July one thousand nine hundred and Ninety Four.

Sd/-
(D. N. PEGU)
Registrar of Companies

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
SHARE INDIA SECURITIES LIMITED

- I. The name of the Company is SHARE INDIA SECURITIES LIMITED**
- II. The Registered Office of the Company will be situated in the State of Gujarat.**
- III. (A) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-**

² “So long as the Company is engaged in stock broking as a member of any recognised Stock Exchange in India, it will engage itself in only such business as a member of a recognised Stock Exchange is permitted to engage in under the Securities and Contracts (Regulation) Rules, 1957, and the Rules, Bye-laws & Regulations of the Stock Exchange. Subject to the foregoing, the objects for which the company is established are:

To acquire individual Membership of Shri H.S. Kumbhat in Bombay Stock Exchange for conversion into corporate membership and to apply for and obtain memberships in stock exchanges, to carry on business either singularly or jointly with others as share and stock brokers, members of stock exchanges, depository participants, underwriters, merchant bankers, portfolio managers, research analyst, security market operators, custodians, issue houses, registrars and share transfer agents, distributors, trustees, issue advisors, as advisors and consultants in investment, financial, management, and other fields, as investors, Mutual Funds, Bankers to issue, promote and provide guarantees to the Companies engaged in connection with or incidental to or consequential upon securities / commodity business, as applicable, to invest in and acquire by way of gift or otherwise and to hold, sell, buy or otherwise deal in commodities and shares, debentures debentures-stocks, bond, units obligation and securities of all kinds, issued and guaranteed by any company, corporation, firm or person whether incorporated or established in India or elsewhere, as well as futures, options, forwards, swaps and other financial instruments of all kinds , to carry on all or any of the businesses in connection with or incidental to or consequential upon securities/commodity business as permitted by SEBI, Stock Exchanges, Commodity Exchanges, Depositories or any other regulatory body from time to time”

- (B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:-**

1. To advance and lend money to builders, tenants and others who may be willing to build on or improve and on land or buildings in which the company is interested and generally to advance money to such persons and on such, terms as may be arranged.
2. To acquire, contract, carryout, equip, maintain, alter, improve, develop, manage, work, control and superintend any electric light and gasworks and power plant, telegraphs and telephones and any hats, markets, reservoirs, waterworks, tanks, bridges, collie lines and houses, roads, tramways, railways canals, water-courses, dykes, drains, wharves, dye works, warehouses, sheds, dwellings offices, shops, stores, buildings and other works and conveniences which may seem directly or indirectly conducive to any of the objects of the Company and to contribute, to subside or otherwise aid by taking part in any such operations.
3. To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire any estate or interest whatsoever and to hold, develop work, cultivate, deal with and turn to account concessions, grants, decrees, licences, privileges, claims, options, lease property, real or personal or right or powers of any kind which may appear to be necessary or convenient for any business of the Company.
4. To sell, exchange, mortgage, let on, lease, royalty or tribute, grant licenses, easements, options, and other rights over in any other manner deal with or dispose of the undertaking, property, asset, rights and effects of the Company or any part thereof for such consideration as may be thought fit and in particular for stocks, shares, whether fully or partly paid up, or securities of any other Company.
5. To advance, deposit with or lend money on securities and property and to receive loans or grants or deposits from the Government and to lend money, either with or without security and generally to such persons and upon terms and conditions as the Company may think fit provided that the business of banking as defined in Banking Companies Act, 1949 shall not be carried on by the Company.
6. To undertake financial and commercial obligations, transactions and operations of all kinds.
7. To guarantee the performance or the obligations and the payment of dividends and interest on any stocks, shares or securities of any company considered likely, directly or indirectly, to further the interest of the company or of its shareholders.
8. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, stocks, contracts, mortgages, charges, obligations, instruments and securities of any company or any authority, state, municipal, local or otherwise, or of any person whomsoever, whether incorporated or not and generally to guarantee or become sureties for the performance of any contracts or obligations.
9. To establish and carry on and to promote the establishment and carrying on or enter any property business in which the company is interested or any business which may be conveniently carried

on or upon or in connection with such property and establishment of which business may seem calculated to enhance the value of the Company's interest in such property or to facilitate the disposal thereof.

10. To subscribe for, absolutely or conditionally, purchase or otherwise acquire for any of the purposes of the Company such investments as may be thought proper and to hold sell or otherwise deal with such investments and shares and stocks.
11. To borrow or raise or secure the payment of money in such manner as the company shall think fit and in particular by the issue of debentures or debenture-stocks, perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital and to purchase, redeem and pay off any such securities.
12. To draw, make, accept, discount, execute and issue bills of exchange and other promissory notes, bills of lading, warrant, debentures and other negotiable or transferable instruments or securities.
13. To apply for, purchase or otherwise acquire and protect, prolong and renew, whether in India or elsewhere, any patents, rights, brevetted inventions, trademarks, designs, licenses, protections, concessions and the like conferring any exclusive or non exclusive or limited right to use any secret or other information as to any invention, process or privilege which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company and to use, exercise, develop, manufacture or grant licenses or privileges in respect of or otherwise turn to account the property, rights and information so acquired and to carry on any business in any way connected therewith.
14. To spend money in experimenting on and testing and research in improving or seeking to improve any patents, rights, inventions, discoveries, processes or information of the company or which the Company may acquire or propose to acquire.
15. To acquire and undertake all or any part of the business property and liabilities of any person or company carrying on any business which this Company is authorised to carry on and possess the property suitable for the purpose of the Company.
16. To distribute all or any of the property of the Company amongst the members in cash or kind, or both, in the event of winding up.
17. To carry on any other business whether manufacturing or otherwise that may seem to the company capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights or which it may be advisable to undertake with a view to improving, developing, rendering valuable or turning to account any property, real or personal, belonging to the Company or in which the company may be interested and to do all or any of the above things, either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others and to do all such things as are incidental or conducive to the attainment of the above objects.

18. To form, incorporate or promote any company or companies whether in India or elsewhere, having amongst its or their objects the acquisition of all or any of the assets or control, management or development of the company or any other object or objects which in the opinion of the company could or might directly or indirectly assist the development of its properties and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit, for services rendered or to be rendered in obtaining subscription for or placing or assisting to place or to obtain subscription for or for guaranteeing the subscription of or the placing of any shares in the capital of the company or any bonds, debentures, obligation or securities of any other company held or owned by the company or in which the company may have an interest or in or about the formation or promotion of the company or of the conduct of its business or in or about the promotion or formation of any other company in which the Company may have an interest.
19. To enter into partnership or into any arrangement for sharing profits or unto any union of interest, joint-venture, reciprocal concession or co-operation with any person or persons or company or companies carrying on or engaged in or about to carry on or engaged in or being authorised to carry on or engage in any business or transaction which this company is authorised to carry on or engage, in or any business or transaction capable of being conducted so as directly or indirectly to benefit this company.
20. To enter into any arrangement and take all necessary and proper steps with other authorities national, local, municipal or otherwise of any place in which the Company may have interest and to carry on any negotiations or operations for the purpose of directly or indirectly carrying on the objects of the company or effecting any modification in the constitution of the company or furthering the interests of its members and to oppose any such steps taken by any other company or person which may be considered likely to prejudice the interests of the company or its members and to obtain from any such Government authority or other persons, any arrangements, charters, contracts, decrees, rights, loans, privileges or concessions which the company may think it desirable to obtain and carry out, exercise and comply with any such arrangements, charters, contracts, decrees, rights, privileges or concessions.
21. To adopt such means of making known the products of the company as may be expedient and in particular by advertising in the press and media, by circulars, purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
22. To undertake and execute any trust, the undertaking of which may seem the company desirable and either gratuitously or otherwise.
23. To invest and deal with the moneys of the company not immediately required in such manner as may be from time to time determined by the Board of Directors.
24. To open account or accounts with any individual, firm or company or with any bank or bankers and shroffs and to pay into and to withdraw moneys from such account or accounts.

25. To procure the company to be registered or incorporated or recognised in any part of the world in accordance with the laws for the time being in force at such place.
26. To apply the assets of the company in any way in or towards the establishment, maintenance or extension of any association, institution or fund in any wise connected with any particular trade or business or with trade or commerce generally and also particularly with the trade, including any association, institution or fund for the protection of the interests of masters, owners and employers against loss by bad debts, strikes, combinations, fire accidents or otherwise or for the benefit of any clerks, workmen or others at any time employed by the company or their families or others persons or dependants, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any fund raised by public or local subscription for any purpose whatsoever.
27. To pay all costs, charges and expenses incurred in connection with the formation or registration of the company including costs, charges and expenses for negotiations and for activities prior to formation and registration.
28. To enter into collaboration agreements, financial and technical, for producing and dealing in new products on improving the existing ones.
29. To send out to foreign countries directors, employees or any other persons for investigating trade connections or in promoting the interest of the company and to pay expenses incurred in this connection.
30. To do all or any part of the above things in any part of the world either as principals, contractors, trustees or otherwise and either alone or in conjunction with others and by or through agents, contractors, trustees or otherwise.
31. To aid, pecuniarily or otherwise, associations, bodies or movements for objects to find out solutions settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
32. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company or its predecessors in business or the dependants or connections of such persons and to grant pensions and allowances and to make payments towards insurance.
33. To do all such other things as are incidental or as the company may think conducive to the attainment of the above objects.
34. To obtain loans from financial corporations, institutions, banks, firms and persons and execute deeds for mortgaging properties movable or immovable as and when required for the benefit and development of the company.
35. To do all or any of the above things in any part of the world either as principal, agents, trustees, contractors or otherwise and either alone or in conjunction with others and by or through agents, sub-contractors or otherwise.

36. To establish, purchase, sell, take on lease, hire or otherwise acquire and work mills, plants, projects, industries and establishment, in any line of business and to cultivate, process, manufacture, assemble, buy, sell, import, export, pledge, speculate, enter into forward transactions or otherwise deal in plant and machinery, tools, equipments, power plants, electricity generating stations and others and other products whatsoever.
37. To search, prospect, win, work, get, raise, quarry, smelt, refine, dress, manufacture, produce, plant, manipulate, convert, make merchantable, sell, buy or deal in lime, cement, glass, paper, sugar, oil products, oilseeds, rice, dal, tea, coffee, rubber, cocoa, coal, coke, iron, ironstone, marble, clays and other metals, metalliferous ores, minerals and substances whatsoever and to manufacture, sell, buy and deal in any of such articles and commodities and to carry on the business of manufacture of bricks, tiles, pipes, pottery, earthen ware, china and terra cotta, ceramic ware, building materials, mineral products and merchandise.
38. To build, construct, alter, enlarge, remove, pull down, replace, maintain, improve, develop, work, run, control and manage any buildings, hotels, clubs, restaurants, baths, places of worship, places of amusements, pleasure grounds, parks, gardens, reading rooms, stores, shops and dairies and other conveniences.
39. To carry on the business as manufacturers, processors, importers, exporters, buyers, sellers, stockists, distributors, and dealers in all kinds of chemicals, drugs, pharmaceuticals, plastics, paints, varnishes, paper, tyres, tubes, films, vehicles, agricultural, plantation, horticultural and other produce and the items in which any of the above are used in any form or proportion.
40. To carry on the business as engineers, chemists, druggist, researchers, technicians, designers, planners, advisers, testers, creators, consultants and contractors for all kinds of industries and businesses.
41. To carry on the trade or business of colliery proprietors, coal merchants, miners, smelters, engineers lime-burners and manufacturers of bricks, tiles, cement, lime coke and other by-products or coal in all their respective branches.

And it is hereby declared that:

- a. The objects incidental or ancillary to the attainment of the main objects of the company as, aforesaid are also incidental or ancillary to the attainment of the other objects of the company herein mentioned.
- b. The word "Company" (save when used with reference to this company in this Memorandum) shall be deemed to include a partnership or other body or association of persons whether incorporated or not and wherever domiciled.

IV. The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

V. ¹The Authorized Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 25,00,00,000 (Twenty-Five Crores) equity shares of Rs 2/- (Rupees Two Only) each.

End Notes:

1. On **March 09, 2023**, the Shareholders vide postal ballot increased the Authorized Share Capital of the Company from ₹ 35,00,00,000/- (Rupees Thirty Five Crores only) divided into 3,50,00,000 (Three Crore Fifty Lakhs) Equity Shares of Face Value of ₹10/- (Rupee Ten only) each to ₹ 50,00,00,000/- (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crores) Equity Shares of Face Value of ₹10/- (Rupee Ten only) each by creation of additional 1,50,00,000 (One Crore Fifty lakhs) equity shares of Face Value ₹10/- (Rupees Ten only) each ranking pari-passu with the existing equity shares of the Company and consequently, the existing Clause V of the Memorandum of Association of the Company, be and is hereby replaced with the following new Clause V:

“The Authorised Share Capital of the Company is ₹ 50,00,00,000/- (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crores) Equity Shares of Face Value of ₹10/- (Rupee Ten only) each.”

On **June 05, 2024**, the Shareholders in its Extraordinary General Meeting held on approved the sub-division of each Equity Share having face value of Rs. 10/- (Rupees Ten Only) into 5 (Five) Equity Shares having face value of Rs. 2/- (Rupees Two Only) each, with effect from June 27, 2024, and the existing Clause V of the Memorandum of Association of the Company was substituted with the following new Clause V:

“V. The Authorized Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 25,00,00,000 (Twenty-Five Crores) Equity Shares of Rs. 2/- (Rupees Two Only) each.”

2. On **December 11, 2024**, the Shareholders vide postal ballot have approved the alteration in existing Clause III (A) (Objects Clause) of the Memorandum of Association (MOA) of the Company as mentioned above.

Prior to the above alteration, the object clause was read as follows:

“To acquire individual Membership of Shri H.S. Kumbhat in Bombay Stock Exchange for conversion into corporate membership and to apply for and obtain memberships in stock exchanges, to carry on business either singularly or jointly with others as share and stock brokers, members of stock exchanges, depository participants, underwriters, merchant bankers, portfolio managers, security market operators, custodians, issue houses, registrars and share transfer agents, trustees, executors, attorneys, nominees, negotiators, arbitrators, issue advisors, as advisors and consultants in investment, financial, management, technical, operational and other fields, as investors, lenders, borrowers, lessors, lessees, hire purchasers, sellers on hire, mortgagers, mortgagees, sureties, representatives, agents, valuers, surveyors and inspectors, Mutual Funds, Bankers to issue, promote and provide guarantees to the Companies engaged in Trading business and to carry out all type of financing operations and performing all types of financing services including factoring, bull marketing and bill discounting, to invest in and acquire by way of gift or otherwise and to hold, sell, buy or otherwise deal in shares, debentures debentures-stocks, bond, units obligation and securities of all kinds issued and guaranteed by any company, corporation, firm or person whether incorporated or established in India or elsewhere, to deal in and discount bills, promissory notes, hundies, cheques warrants, coupons, commercial papers, and other negotiable and transferable instruments, licenses, options, privileges, book debts, claims, choose in action and contracts, operators of safe deposit vaults, to negotiate, procure and guarantee the procurement of loans, funds, deposits and subscriptions for securities, mortgages, leases, and obligations and to carry on the business in indemnities, to advance, deposit and lend and to accept advances, deposits and loans, to execute trusts and to deal in reversionary, contingent and other rights and interests, to carry on all or any of the businesses connected with financial and commercial markets, real estate, to supply, provide, maintain and operate services, facilities, conveniences, bureaux and the like providing general, administrative, commercial, financial, technical, placement, credit rating and credit information services, to float, promote, form, subsidise, assist, receive, work, perform and undertake and direct the formation, supervision and control of any business, enterprise or operation, to carry on the business as buyers, sellers, importers, exporters, manufacturers, producers, processors, growers and dealers in capital goods and other merchandise and products, jewellery, precious stones, minerals, metals, curios, artifacts and articles of virtue, arts and antiquities and as transporters and carriers by road, sea or air and as warehousemen and stevedores.”

WE, the several persons, whose names and addresses are 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.

Names, addresses, descriptions and occupations of the subscribers	Number of shares taken by each subscriber	Signature of the subscriber	Signature of witnesses with addresses and occupations
Hukamraj Sajjanraj Kumbhat S/o. Late Sajjanraj Kumbhat G.N.B. Road, Guwahati -Share Broker	2,69,997 (Two lakhs sixty nine thousand nine hundred ninety seven)	Sd/- (H. S. Kumbhat)	
Kaushal Kumbhat S/o. Shri H. S. Kumbhat 15, G. R. Avenue, Calcutta -Share Broker	10,000 (Ten thousand)	Sd/- (Kaushal Kumbhat)	
Pradip Kumbhat S/o. Shri J. R. Kumbhat G.N.B. Road, Guwahati -Share Broker	10,000 (Ten Thousand)	Sd/- (Pradip Kumbhat)	Sd/- P. S. Singh Opp. Water Tank Lower Lachumiere Shillong-793009
Haradhan Saha S/o. Shri J. K. Saha Fatasil, Guwahati -Service	1 (One)	Sd/- (H. Saha)	All Signatures witnessed by
Laxmi Narain Biyani S/o. Late B. Biyani Shantipur, Guwahati -Service	1 (One)	Sd/- (L. N. Biyani)	Sd/- H. S. Kumbhat G.N.B. Road, Guwahati.
Ambika Barua D/o. Shri K. Barua G.N.B. Road, Guwahati -Service	1 (One)	Sd/- (A. Barua)	
Indu Kumbhat W/o. Shri H. S. Kumbhat G.N.B. Road, Guwahati -Business	10,000 (Ten thousand)	Sd/- (Indu Kumbhat)	
Total	3,00,000 (Three lakhs)		

Dated: 12th day of July, 1994

THE COMPANIES ACT, 1956 (To the extent Applicable)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

SHARE INDIA SECURITIES LIMITED

INTERPRETATION

1. In these Articles unless there be something in the subject matter or context inconsistent therewith:
 - i. **"The Act"** means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.
 - ii. **"Articles"** means Articles of Association of the Company as originally framed or altered from time to time
 - iii. **"Beneficial Owner"** shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.
 - iv. **"Board"** or **"Board of Director"** means the Collective body of the Board of Directors of the Company.
 - v. **"Chairman"** means the Chairman of the Board of the Directors of the Company.
 - vi. **"The Company"** means Share India Securities Limited.
 - vii. **"Depositories Act, 1996"** shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.
 - viii. **"Depository"** shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.
 - ix. **"Directors"** mean the Directors for the time being of the Company.
 - x. **"Dividend"** includes any interim dividend.
 - xi. **"Document"** means a document as defined in Section 2 (36) of the Companies Act, 2013.
 - xii. **"Equity Share Capital"**, with reference to any Company limited by shares, means all share capital which is not preference share capital;
 - xiii. **"KMP"** means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.
 - xiv. **"Managing Director"** means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of

managing director, by whatever name called.

- xv. **"Month"** means Calendar month.
- xvi. **"Office"** means the registered office for the time being of the Company.
- xvii. **"Paid-up share capital"** or **"share capital paid-up"** means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;
- xviii. **"Postal Ballot"** means voting by post or through any electronic mode.
- xix. **"Proxy"** includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.
- xx. **"Public Holiday"** means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.
- xxi. **"Registrar"** means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.
- xxii. **"Rules"** means the applicable rules as prescribed under the relevant sections of the Act for time being in force.
- xxiii. **"SEBI"** means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.
- xxiv. **"Securities"** means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)
- xxv. **"Share"** means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
- xxvi. **"Seal"** means the common seal of the Company.
- xxvii. **"Preference Share Capital"**, with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to-
 - (a) payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and
 - (b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;

Words imparting the plural number also include, where the context requires or admits,

the singular number, and vice versa.

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

'In writing' and 'written' includes printing, lithography and other modes of representing or reproducing words in a visible form.

Share Capital

2. The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.
3. 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 Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

Issue of Sweat Equity Shares

4. Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.

Issue of Debentures

5. The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

Issue of Share Certificates

6. i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within fifteen days (15) of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided-
 - a. one certificate for all his shares without payment of any charges; or
 - b. Several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.

- ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
 - iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - iv. 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.
7. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty Rupees for each certificate.
8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
9. The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.

Power to pay Commission In connection with the Securities issued

10. i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
 - iii. 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.

Variations of Shareholder's rights

11. i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate

meeting of the holders of the shares of that class.

- ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
12. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Issue of Preference Shares

13. Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

Further Issue of shares

14. (1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:
- (a) to persons who, at the date of the 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 the conditions specified in the relevant provisions of Section 62 of the Act.
 - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.
 - (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.
- (2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
- (3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.

Lien

15. i. The Company shall have a first and paramount lien-
- a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company;
 - c. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares
- Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
16. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:
- Provided that no sale shall be made—
- a. unless a sum in respect of which the lien exists is presently payable; or
 - b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
17. i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
18. i. 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.
- ii. 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.

Joint Holdings

19. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:-
- a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.
 - b) The joint-holders of any shares shall be liable severally as well as jointly for and in

respect of all calls and other payments which ought to be made in respect of such share.

- c) On the death of any 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.
- d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.
- e) 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 delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.
- f) (i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint- holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.

(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 as Joint-Holders.
- g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.

Calls on shares

- 20. 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:

Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.
- ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- iii. A call may be revoked or postponed at the discretion of the Board.
- 21. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
- 22. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

23. i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.
24. i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture
- iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
25. The Board-
- i. 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
- ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.
26. Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called - up.
- Provided however that any amount paid to the extent called - up, shall be entitled to proportionate dividend and voting right.
27. The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.
28. The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.

Transfer of shares

29. i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.
- ii. Each share in the Company shall be distinguished by its appropriate number.
- iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.
30. i. The instrument of transfer of any share in the Company shall be 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.

31. The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-
 - i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - ii. any transfer of shares on which the Company has a lien.
 - iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
32. The Board shall decline to recognise any instrument of transfer unless-
 - i. the instrument of transfer is in the form as prescribed in rules made under sub - section (1) of section 56;
 - ii. 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 the instrument of transfer is in respect of only one class of shares.

Provided that, transfer of shares in whatever lot shall not be refused.
 - iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),
 - iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter, then the securities will be transferred;
 - v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.
33. The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay
34. On giving not less than seven days' previous notice in accordance with section 91 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
35. The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.

Register of Transfers

36. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.

Dematerialisation of Securities

37. i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.

- a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.

- b. Option for Investors:

Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.

If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security

- c. Securities in Depository to be in fungible form:-

- All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.
- Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.

- d. Rights of Depositories & Beneficial Owners:-

Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.

- e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

- f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.

- ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.

- iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.
- vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.

Transmission of shares

- 38. 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.
- 39. i. 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.
- ii. 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.
- 40. i. 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.
- ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice

or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

41. 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.

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

No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of administration, Certificate of Death or marriage, power of attorney or similar other documents.

Forfeiture of shares

43. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

44. The notice aforesaid shall-

- i. 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
- ii. 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.

45. 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.

46. i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

47. i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- ii. 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.

48. i. 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;
- ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;
- iii. The transferee shall thereupon be registered as the holder of the share; and
- iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
49. 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.
50. 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.
51. 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.
52. The Board may, subject to the provision 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.
53. The Provisions of these regulations as to forfeiture shall apply in the case of non - payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
54. The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

Initial payment not to preclude forfeiture

55. Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.

Alteration of capital

56. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
57. Subject to the provisions of section 61, the Company may, by ordinary resolution,-
- i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - iv. 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.

Conversion of Shares into Stock

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

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - ii. 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.
 - iii. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

Reduction of Capital

59. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,-
- i. its share capital;
 - ii. any capital redemption reserve account; or
 - iii. Any share premium account.

Share Warrants

60. The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the

stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.

The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.

Not more than one person shall be recognized as depositor of the share warrant. The Company shall, on two days written notice, return the deposited share warrants to the depositor.

Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.

The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.

Capitalisation of profits

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

- iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.
- 62. i. Whenever such a resolution as aforesaid shall have been passed, the Board shall-
 - a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - b. generally to do all acts and things required to give effect thereto.
- ii. The Board shall have power-
 - a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- iii. Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

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

General Meeting

- 64. All General Meetings other than annual general meeting shall be called extra - ordinary general meetings.
- 65. i. The Board may, whenever it thinks fit, call an extraordinary general meeting.
- ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.
- iii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

66.
 - i. 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.
 - ii.
 - i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.
 - ii. In any other case, the quorum shall be decided as under:
 - a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
 - b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;
67. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
68. 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.
69. 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 choose one of their members to be Chairperson of the meeting.
70. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
71. A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

Demand for poll

72.
 - i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.
 - ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Time of taking poll

- 73. i. A poll demanded on a question of adjournment shall be taken forthwith.
- ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.

Adjournment of meeting

- 74. i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- 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.
- iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

- 75. Subject to any rights or restrictions for the time being attached to any class or classes of shares,-
 - i. on a show of hands, every member present in person shall have one vote; and
 - ii. 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.
- 76. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 77. i. 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.
- ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 78. 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.
- 79. 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 satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

80. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
81. 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.
82.
 - i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
83. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

Casting Vote

84. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.

Representation of Body Corporate

85. A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.

Circulation of member's resolution

86. The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.

Resolution requiring special notice

87. The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.

Resolutions passed at adjourned meeting

88. The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed

for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.

Registration of resolutions and agreements

89. The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.

Minutes of proceedings of general meeting and of Board and other meetings

90. i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.
- ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed :
- A. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
 - B. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.
 - C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
 - D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
 - E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
 - F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:
 - a. the names of the Directors present at the meetings, and
 - b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.
- iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of 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 or immaterial to the proceedings; or
 - c. is detrimental to the interests of the Company.

- iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.

Minutes to be considered to be evidence

91. The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.

Publication of reports of proceeding of general meetings

92. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

Proxy

93. 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 the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
94. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
95. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

96. The first directors of the Company shall be:
1. Shri H.S. Kumbhat
 2. Shri Kaushal Kumbhat
 3. Shri Pradip Kumbhat
97. The Directors need not hold any "Qualification Share(s)".
98. Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:

He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.

Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.

99. i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -
 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.
100. The Board may pay all expenses incurred in getting up and registering the company.
101. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
102. 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.
103. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
104. i. Subject to the provisions of section 149 and all other applicable provisions of the Companies Act, 2013, the Board shall have the 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 20 (twenty).
ii. 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.

Retirement and Rotation of Directors

105. Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.
106. The remaining Directors shall be appointed in accordance with the provisions of the Act.
107. At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.
108. Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the 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. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.
109. Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.
110. Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.

Nominee Director

111. ¹Notwithstanding anything to the contrary contained in these Articles, so long as any money shall be owing by the Company to any financial institutions, corporations, banks or such other financing entities or through Debenture Trustees or so long as any of the aforesaid banks, financial institutions or such other financing entities hold any shares/debentures in the Company as a result of subscription or so long as any guarantee given by any of the aforesaid entities in respect of any financial obligation or commitment of the Company remains outstanding in terms of payment of interest or repayment of principal amount, then in that event any of the said financial institutions or Debenture Trustees or such other financing entities shall, subject to an agreement in that behalf between it and the Company, have a right but not an obligation, to appoint one or more persons as Director(s) on the Board of Director as their nominee on the Board of Company in accordance with the applicable laws. The aforesaid financial institutions or Debenture Trustees or such other financing entities may at any time and from time to time remove the Nominee Director appointed by it and may in the event of such removal and also in case of the Nominee Director ceasing to hold office for any reason whatsoever including resignation or death, appoint other or others to fill up the vacancy. Such appointment or removal shall be made in writing by the relevant institution and shall be delivered to the Company and the Company shall have the power to remove the Nominee Director from office after following the provisions of the Companies Act, 2013. Each such Nominee Director shall be entitled to attend all General Meetings, Board Meetings

and meetings of the Committee of which he or she is a member.

112. The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.
113. The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.
114. The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.

Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.

115. Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.

Removal of Directors

116. The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.
117. Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the

meeting at which he is removed.

118. On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
119. Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,
- (a) in any notice of the resolution given to members of the Company state the facts of the representations having been made, and
 - (b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:

Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

120. A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.
121. A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.
122. If the vacancy is not filled under clause (5) above, it may be filled as a casual vacancy in accordance with the provisions of this Act:

Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.

123. Nothing in this section shall be taken-
- a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or
 - b) as derogating from any power to remove a director under other provisions of this Act.

Remuneration and sitting fees to Directors including Managing and whole time Directors

124. Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.

In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.

- a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or
- b. In connection with the business of the Company.

125. Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs. 1,00,000/- (Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 & 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.

Powers and duties of Directors:

Certain powers to be exercised by the Board only at meeting

126. i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.
- a. The power to make calls on shareholders in respect of money unpaid on their shares;
 - b. The Power to authorize buy-back of securities under Section 68 of the Act.
 - c. Power to issue securities, including debenture, whether in or outside India
 - d. The power to borrow moneys
 - e. The power to invest the funds of the Company,
 - f. Power to Grant loans or give guarantee or provide security in respect of loans
 - g. Power to approve financial statements and the Board's Report
 - h. Power to diversify the business of the Company
 - i. Power to approve amalgamation, merger or reconstruction
 - j. Power to take over a Company or acquire a controlling or substantial stake in another Company
 - k. Powers to make political contributions;

- l. Powers to appoint or remove key managerial personnel (KMP);
- m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
- n. Powers to appoint internal auditors and secretarial auditor;
- o. Powers to take note of the disclosure of director's interest and shareholding;
- p. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;
- q. Powers to invite or accept or renew public deposits and related matters;
- r. Powers to review or change the terms and conditions of public deposit;
- s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.

Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.

- ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.
- iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.
- iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.
- v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.

Restriction on powers of Board

- 127. i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting:
 - a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;
 - b) remit, or give time for the repayment of any debt, due by a Director;

- c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;
 - d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or
 - e) contribute to bona fide charitable and other funds, aggregate of which in any financial year, exceed five percent of its average net profits during the three financial years, immediately preceding.
- ii. Nothing contained in sub-clause (a) above shall affect:
- a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or
 - b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.
- iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.
- iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.

128. Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.

General powers of the Company vested in Directors

129. Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised 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 Act 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 Directors which would have been valid if such regulation had not been made.

Specific powers given to Directors

130. Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:

- i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;
- ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;
- iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
- iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
- v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;
- vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;
- vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately

or co- jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;

- viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;
- ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;
- x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;
- xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;
- xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;
- xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;
- xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.
- xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.
- xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing

or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;

- xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;
- xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.
- xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transaction of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.
- xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.
- xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;

MANAGING DIRECTORS

Power to appoint Managing or Whole-time Directors

131. a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.
- b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.
- c) Subject to the provisions of Sections 197 & 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.

Proceedings of the Board

132. a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
133. The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.
134. a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
135. 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.
136. The participation of directors in a meeting of the Board/ Committees 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.

137. a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

Delegation of Powers of Board to Committee

138. a) 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.
- b) 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.
139. a) A committee may elect a Chairperson of its meetings.
- b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
140. a) A committee may meet and adjourn as it thinks fit.
- b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
141. 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, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
142. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of 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

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

143. Subject to the provisions of the Act-
- a) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.
144. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, manager, Company Secretary or chief Financial Officer

shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief Financial Officer.

The Seal

145. a) The Board shall provide for the safe custody of the seal.
- b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

Dividends and Reserve

146. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
147. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
148. a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for 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.
- b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
149. a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
150. 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.

151. a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
152. 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.
153. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
154. No dividend shall bear interest against the Company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;

155. Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.

The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.

156. 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.
157. 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.

Accounts

158. a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.
- b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

Inspection of Statutory Documents of the Company:

159. Minutes Books of General Meetings

- a) The books containing the minutes of the proceedings of any general meeting of the Company shall;
 - i. be kept at the registered office of the Company, and
 - ii. be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.

Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance.

- b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.

160. Register of charges:

- a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.
- b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours-
 - a. by any member or creditor without any payment of fees; or
 - b. by any other person on payment of such fees as may be prescribed,

Audit

Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.

- 161. a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.
- c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.

- d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

Winding up

162. Subject to the provisions of Chapter XX of the Act and rules made there under-

- i. 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.
- ii. 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.
- iii. 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 others securities whereon there is any liability.

Indemnity

163. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under-

Secrecy

- 164. (a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting 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.
 - (b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.
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End Notes:

*1. On **December 11, 2024**, the Shareholders vide postal ballot substituted the existing Clause 111 of the Articles of Association (AOA) of the Company as mentioned above.*

Prior to the above alteration, Clause 111 of AOA was read as follows:

“ 111. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remains owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or body out of any loans granted by them to the Company or Body (hereinafter in this article referred to as “the Corporation”) continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on the behalf of the Company remains outstanding, the Corporation shall have the right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove of such office any person or persons so appointed and to appoint any person or persons in his or their places.”

WE, the several persons, whose names and addresses are 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.

Names, addresses, descriptions and occupations of the subscribers	Number of shares taken by each subscriber	Signature of the subscriber	Signature of witnesses with addresses and occupations
Hukamraj Sajjanraj Kumbhat S/o. Late Sajjanraj Kumbhat G.N.B. Road, Guwahati -Share Broker	2,69,997 (Two lakhs sixty nine thousand nine hundred ninety seven)	Sd/- (H. S. Kumbhat)	
Kaushal Kumbhat S/o. Shri H. S. Kumbhat 15, G. R. Avenue, Calcutta -Share Broker	10,000 (Ten thousand)	Sd/- (Kaushal Kumbhat)	
Pradip Kumbhat S/o. Shri J. R. Kumbhat G.N.B. Road, Guwahati -Share Broker	10,000 (Ten Thousand)	Sd/- (Pradip Kumbhat)	Sd/- P. S. Singh Opp. Water Tank Lower Lachumiere Shillong-793009
Haradhan Saha S/o. Shri J. K. Saha Fatasil, Guwahati -Service	1 (One)	Sd/- (H. Saha)	All Signatures witnessed by
Laxmi Narain Biyani S/o. Late B. Biyani Shantipur, Guwahati -Service	1 (One)	Sd/- (L. N. Biyani)	Sd/- H. S. Kumbhat G.N.B. Road, Guwahati.
Ambika Barua D/o. Shri K. Barua G.N.B. Road, Guwahati -Service	1 (One)	Sd/- (A. Barua)	
Indu Kumbhat W/o. Shri H. S. Kumbhat G.N.B. Road, Guwahati -Business	10,000 (Ten thousand)	Sd/- (Indu Kumbhat)	
Total	3,00,000 (Three lakhs)		

Dated : 12th day of July, 1994.

**IN THE HIGH COURT OF DELHI AT NEW
DELHI (ORIGINAL JURISDICTION)
IN THE MATTER OF THE COMPANIES ACT,
1956 AND**

**IN THE MATTER OF SCHEME OF
AMALGAMATION OF**

COMPANY PETITION NO. 491/2009

CONNECTED WITH

COMPANY APPLICATION (M) NO. 155/2009

IN THE MATTER OF M/s. Share India Securities Ltd.

having its Regd. Office at :

301, Yamuna Towers, 13, Saini Enclave,

Delhi-110092

...Petitioner/Transferor Company

WITH

IN THE MATTER OF M/s. FMS Securities Ltd.

having its Regd. Office at:

A-66, 1st Floor, Gurunanak Pura

Vikas Marg, Delhi-110092

...Petitioner/Transferee Company

**BEFORE HON'BLE MR. JUSTICE SUDERSHAN KUMAR
MISRA DATED THIS THE 20th DAY OF MAY, 2010**

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petition came up for hearing on 20/05/2010 for sanction of scheme of Amalgamation proposed to be made of M/s. Share India Securities Ltd. (hereinafter referred to as Transferor Company) with M/s. FMS Securities Ltd. (hereinafter referred to as Transferee Company). The Court examined the petition; the order dated 23/11/2009 passed in CA (M) 155/2009, whereby the requirement of convening and holding the meetings of the equity Shareholders, Secured Creditors and Trade Creditors of the Transferor and Transferee Companies for the purpose of considering and if thought fit approving with or without modification, the Scheme of Amalgamation annexed to the affidavit of Sh. Sachin Gupta, Director of the Petitioner Companies, filed on 8th day of October, 2009 was dispensed with; and the publication in the newspapers namely Financial Express (English) and Jansatta (Hindi) dated 07/04/2010 containing the notice of the Petition.

The Court also examined the affidavit dated 20/04/2010 of Dr. Navrang Saini, Regional Director, Northern Region, Ministry of Corporate Affairs, Noida on behalf of Central Government, wherein while referring to Para 10(e) of the Scheme regarding change in the name of the Transferee Company with that of the Transferor Company it was submitted that the name of a company can be changed only after following the procedure prescribed under the relevant provisions of the Companies Act, 1956. In response thereto, the Transferee Company, in the affidavit dated 29th April, 2010 of Sh. Sachin

Gupta, Director of the Transferee Company submitted that Para 10(e) of the Scheme clearly provides that the Transferee Company will make necessary application to the Registrar of Companies and other competent authorities, if any, and comply with the applicable provisions of the Companies Act, 1956, to give effect to the proposed change of name of the Transferee Company, as per the Scheme of Amalgamation. An undertaking to this effect has filed on record. The Court accepted the undertaking given by the petitioner and they shall remain bound by the same. In view thereof, the Court observed that the objection raised by the Regional Director did not survive.

Upon hearing Sh. Rajeev K. Goel, Advocate for the Petitioners, Mr. Rajiv Bahl for the Official Liquidator and Mr. V. K. Gupta, Dy. Registrar of Companies in person; and in view of the approval of the Scheme of Amalgamation without any modification; by the Equity Shareholders, Secured Creditors and Trade Creditors of the Transferor and Transferee Companies; and in view of the affidavit of Sh. S. B. Gautam, Official Liquidator filed on 30/04/2010 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its Members or Creditors or to public interest; and there being no investigation proceedings pending in relation to the Petitioner Transferee Company under Section 235 to 251 of the Companies Act, 1956,

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF AMALGAMATION set forth in Schedule-I annexed hereto and Doth hereby declare the same to be binding on all the Shareholders & Creditors of the Transferor and Transferee

Companies and all concerned and doth approve the said Scheme of Amalgamation with effect from the appointed date i.e. 01/04/2009.

AND THIS COURT DOTH FURTHER ORDER:

1. That all the property, rights and powers of the Transferor Company specified in first, second and third parts of Schedule-II hereto and all other property, right and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
4. That the Company do without further application allot to such members of the Transferor Company as have not given such notice of dissent as is required by Clause 9.1 given in the Scheme of Amalgamation herein the shares in the Transferee Company to which they are entitled under the said Amalgamation; and
5. That the Transferor Company do within five weeks after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up and the Concerned Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept in relation to the Transferee Company and the files relating to the said Transferor and Transferee Companies shall be consolidated accordingly; and
6. It is clarified that this order will not be construed as an order granting exemption from payment of stamp duty that is payable in accordance with law; and
7. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

**SCHEME OF
AMALGAMATION OF
SHARE INDIA SECURITIES
LTD WITH
FMS SECURITIES LTD**

**UNDER SECTIONS 391 & 394 OF THE COMPANIES ACT,
1956**

1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- a. **"The Act"** means the Companies Act, 1956 (1 of 1956) and the Rules made there under;
- b. **"The Appointed Date"** means commencement of business on 1st April, 2009 or such other date as the Hon'ble High Court(s) may direct.
- c. **"The Effective Date"** means the date on which the transfer and vesting of the entire undertakings of the Transferor Company shall take effect, i.e., the date as specified in Clause 5 of this Scheme.
- d. **"This Scheme" or "the Scheme"** means the present Scheme of Amalgamation framed under the provisions of sections 391 and 394 of the Companies Act, 1956, and other applicable provisions, if any, where under the Transferor Company is proposed to be amalgamated with the Transferee Company in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of the respective Companies and/or by any competent authority and/or by the Hon'ble High Court(s).
- e. **"The Transferor Company"** means **Share India Securities Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at 301, Yamuna Towers, 13, Saini Enclave, Delhi 110 092.

The Transferor Company was incorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Value Capital Services Pvt Ltd' vide Certificate of Incorporation No. 55-63504 dated 15th December, 1994 issued by the Registrar of Companies, Delhi & Haryana at New Delhi. The Company was converted into a public limited company and its name was changed to 'Value Capital Services Ltd' vide Fresh Certificate of Incorporation consequent upon change of name on conversion to public limited company dated 13th March, 2001 issued by the aforesaid ROC. Name of the Company was subsequently changed to its present name-Share India Securities Ltd vide Fresh Certificate of Incorporation consequent upon change of name dated 1st May, 2008 issued by the ROC, New Delhi.

- f. **"The Transferee Company"** means **FMS Securities Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at A-66, 1st Floor, Gurunanak Pura, Vikas Marg, Delhi 110 092.

The Transferee Company was incorporated under the provisions of the Companies Act, 1956, as a public limited company with the name and style as 'FMS Securities Ltd' vide Certificate of Incorporation No. 02-04175 dated 12th July, 1994 issued by the Registrar of Companies, Assam, Meghalaya, Manipur, Tripura, Nagaland, Arunachal Pradesh & Mizoram at Shillong. The Company obtained Certificate for Commencement of Business on 20th July, 1994. The Registered Office of the Company was shifted from the state of Assam to the NCT of Delhi as approved by the Hon'ble Company Law Board, Eastern Region Bench, Kolkata vide its order dated 9th August, 2000. The Registrar of Companies, Delhi and Haryana at New Delhi allotted a new company registration number- U 67120 DL2000 PLC 108970 to the Company.

1.2 SHARE CAPITAL

- i. The present Authorised Share Capital of the Transferor Company is Rs. 2,00,00,000 divided into 20,00,000 Equity Shares of Rs. 10/- each. The present Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 1,89,90,820 divided into 18,99,082 Equity Shares of Rs. 10/- each.
- ii. The present Authorised Share Capital of the Transferee Company is Rs. 2,25,00,000 divided into 22,50,000 Equity Shares of Rs. 10/- each. The present Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 2,03,74,650 divided into 20,37,465 Equity Shares of Rs. 10/- each.

2. TRANSFER OF UNDERTAKING

- a. With effect from the commencement of business on 1st April, 2009, i.e., the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, the undertaking and entire business and all immovable properties where so ever situated and incapable of passing by physical delivery as also all other assets, capital work-in-progress, current assets, investments, bookings and advances against bookings for/in residential and commercial plots and buildings, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to, membership of National Stock Exchange of India Ltd (NSE) and MCX Stock Exchange (MCX SX), Depository Participant of Central Depository Services (India) Ltd (CDSL), deposits and/or margin money with NSE, MCX SX, CDSL and other authorities, all licenses, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trade marks, brands, copy rights; quota rights, subsidies, capital subsidies, concessions, exemptions, sales tax exemptions, concessions/ obligations under EPCG/Advance/DEPB licenses, approvals, clearances, environmental clearances, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as "the said assets") shall, without any further act or deed or without payment of any stamp duty, levies or any other charges, be transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company but, subject to mortgages, charges and encumbrances, if any, then affecting the undertaking of the Transferor Company without such charges in any way extending to the undertaking of the Transferee Company.
- b. The Transferor Company is a member/trading member of National Stock Exchange (NSE) for Capital Market Segment, Derivatives Segment and Currency Derivates Segment; trading member of MCX Stock Exchange for Currency Derivates Segment; and Depository Participant of Central Depository Services (India) Ltd (CDSL). Memberships/trading memberships and DP status held in the Transferor Company will be transferred to and vest in the Transferee Company for which necessary applications will be made by the Transferee Company to these stock exchanges, CDSL and other competent authorities.
- c. Notwithstanding what is provided herein above, it is expressly provided that in respect to such of the said assets as are movable in nature or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, the same shall be so transferred, with effect from the appointed date, by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any order of the Court or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the property of the Transferee Company accordingly.

- d. On and from the Appointed Date, all liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date and shall be the liabilities, provisions, duties and obligations of the Transferee Company.
- e. Similarly, on and from the Appointed Date, all the taxes and duties including advance tax, tax deducted at source, tax collected at source, credit of MAT, self assessment tax paid by or on behalf of the Transferor Company immediately before the amalgamation shall become or be deemed to be the property of the Transferee Company by virtue of the amalgamation.
- f. Without prejudice to the generality of the provisions contained in aforesaid clauses, upon the Scheme becoming effective, the Transferee Company shall file such forms as may be required or necessary with the Registrar of Companies with respect to the charges and mortgages created or to be created.

3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- a. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature, to which the Transferor Company is a party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party thereto.
- b. The transfer of the said assets and liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or legal proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the liabilities already concluded by the Transferor Company on or after the Appointed Date.
- c. The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and, to implement and carry out all such formalities or compliance referred to above on the part/benefit of the Transferor Company to be carried out or performed.

4. LEGAL PROCEEDINGS

All legal proceedings of whatever nature by or against the Transferor Company pending on the Effective Date, shall not be abated, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

5. OPERATIVE DATE OF THE SCHEME

- a. This Scheme shall be effective from the last of the dates on which certified copies of the High Court(s) order under Sections 391 and 394 of the Act are filed in the office(s) of the concerned Registrar of Companies. Such date is called as the Effective Date.
- b. Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

6. DISSOLUTION OF TRANSFEROR COMPANY

On this Scheme, becoming effective as provided in Clause 5 above, the Transferor Company shall stand dissolved without winding up.

7. EMPLOYEES OF TRANSFEROR COMPANY

- a. All the employees of the Transferor Company in service on the date immediately preceding the date on which the Scheme finally takes effect, i.e., the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Transferor Company on the said date.
- b. Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continued for the purpose of the aforesaid funds or provisions.

8. CONDUCT OF BUSINESS BY TRANSFEROR & TRANSFeree COMPANIES

8.1 From the Appointed Date until the Effective Date, the Transferor Company

- a. Shall stand possessed of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.
- b. Shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges and expenses or loss arising or incurring by the Transferor Company on and from the Appointed Date shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or loss, as the case may be, of the Transferee Company.

8.2 Notwithstanding anything contained in sub-clause '8.1' above, the Transferor Company as well as the Transferee Company shall be free to conduct their respective businesses and to take all steps in this regard including raising of funds either through fresh share capital or loan during the pendency of the amalgamation process.

9. ISSUE OF SHARES BY TRANSFeree COMPANY

9.1 Upon the Scheme finally coming into effect and in consideration of the transfer and vesting of all the said assets and liabilities of the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot 1 (one) Equity Share of Rs. 10/- each in the Transferee Company, credited as fully paid up, to the Members of the Transferor Company whose names appear in the Register of Members as on the Record Date, to be fixed by the Board of Directors of the Transferee Company, for every 1 (one) fully paid up Equity Share of Rs. 10 each held in the Transferor Company.

9.2 Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to nearest whole number.

9.3 The Equity Shares to be issued in terms of Para 9.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company. The new Equity Shares shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Transferee Company.

9.4 The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their

approval u/s 81(1A) of the Act and other applicable provisions, if any, for issue of fresh Equity Shares to the Members of the Transferor Company in terms of Para 9.1 above.

- 9.5 It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Transferee Company will not apply to the share application money, if any, which may remain outstanding in the Transferor Company.

10. Upon this Scheme becoming finally effective:

- a. Entire issued share capital and share certificates of the Transferor Company shall automatically stand cancelled.
- b. Cross holding of shares between the Transferor Company and the Transferee Company on the record date, if any, shall stand cancelled. Approval of this Scheme by the Shareholders and/or Creditors of the Transferor and the Transferee Companies, as the case may be, and sanction by the High Court under section 391 and 394 of the Companies Act, 1956, shall be sufficient compliance with the provisions of sections 100 to 104 of the Companies Act, 1956, rule 85 of the Companies (Court) Rules, 1959, and other applicable provisions, if any, relating to the reduction of share capital on cancellation of cross holding, if any. Such reduction would not involve either the diminution of any liability in respect of un-paid share capital or the payment to any shareholder of any paid-up share capital, and accordingly, the provisions of section 101 of the Act will not be applicable.
- c. The authorized capital of the Transferor Company shall be added to and shall form part of the authorized capital of the Transferee Company. Accordingly, the authorized capital of the Transferee Company shall stand increased to this extent without payment of any fees or charges to the Registrar of Companies and/or to any other government authority.
- d. Save as provided in Para 10.c above, the Transferee Company shall increase/modify its Authorized Share Capital for implementing the terms of the Scheme, to the extent necessary.
- e. The name of the Transferee Company shall be replaced with the name of the Transferor Company. Accordingly, name of the Transferee Company will be changed to Share India Securities Ltd. The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their approval u/s 21 and 31 of the Act and other applicable provisions, if any, for change of name of the Transferee Company to Share India Securities Ltd. Fresh approval of the members will not be required for the said change of name. However, the Transferee Company will make necessary application to the Registrar of Companies and other competent authorities, if any, and comply with the applicable provisions of the Companies Act, 1956 in this regard.

11. ACCOUNTING FOR AMALGAMATION

Upon the Scheme becoming effective, amalgamation of the Transferor Company with the Transferee Company will be accounted in the following manner:

- a. The amalgamation shall be an 'amalgamation in the nature of merger' as defined in the Accounting Standard (AS) 14 as prescribed under the Companies (Accounting Standards) Rules, 2006, and shall be accounted for under the 'pooling of interests' method in accordance with the said AS-14.
- b. Accordingly, all the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the respective book values as reflected in the books of the Transferor Company as on the Appointed Date.
- c. Inter-company balances, if any, will stand cancelled.

- d. All the reserves of the Transferor Company under different heads shall become the corresponding reserves of the Transferee Company. Similarly, balance in the Profit & Loss Accounts of the Transferor and Transferee Companies will also be clubbed together.
- e. In terms of the provisions of the Accounting Standard 14, any surplus/deficit arising out of Amalgamation shall be adjusted in the General Reserve of the Transferee Company.
- f. Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the amalgamation.

12. APPLICATION TO HIGH COURTS

- a. The Transferor Company will make joint/separate applications/ petitions under the provisions of sections 391 & 394 of the Companies Act, 1956, the Companies (Court) Rules, 1959 and other applicable provisions, if any, to the Hon'ble High Court of Delhi at New Delhi for sanctioning of this Scheme, dissolution of the Transferor Company without the process of winding up and other connected matters.
- b. The Transferee Company will also make joint/separate application(s)/petition(s) under the provisions of sections 391 & 394 of the Companies Act, 1956, the Companies (Court) Rules, 1959 and other applicable provisions, if any, to the Hon'ble High Court of Delhi at New Delhi for sanctioning of this Scheme and other connected matters.

13. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- a. The Transferor Company and the Transferee Company through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Court(s) and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.
- b. In order to give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and are authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.
- c. In the event that any conditions are imposed by any competent authority or the Court(s) which the Transferor Company or the Transferee Company find un-acceptable for any reason whatsoever, then the Transferor Company and/or the Transferee Company shall be entitled to withdraw from this Scheme.
- d. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the Income Tax Act, 1961 and other applicable provisions, if any. If any terms or provisions of the Scheme is/are inconsistent with the provisions of the Income Tax Act, 1961, the provisions of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with section 2(1B) of the Income Tax Act, 1961 and other applicable provisions, if any.

14. INTERPRETATION

If any doubt or difference or issue arises between the Transferor Company and the Transferee Company or any of their Shareholders or Creditors and/or any other person as to the construction hereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to Mr Rajeev K Goel, LLB, FCS, Advocate, 138-A, Pocket-F, Mayur Vihar II, Delhi 110 091, Phone 93124 09354, 011-2277 3618, whose decisions shall be final and binding on all concerned.

15. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the amalgamation exercise or incidental thereto shall be borne and paid by the respective Companies incurring the same.

Schedule of properties
(As on March 31, 2009)
Share India Securities Limited

Transferor Company

Particulars	Amount (Rs.)
PART-I	
Short Description of the Free hold Property of the Transferor Company	NIL
PART-II	
Short Description of the Lease hold Property of the Transferor Company	NIL
PART-III	
Short Description of all the Stocks, Shares, Debentures and other Charges in Action of the Transferor Company	
Fixed Assets	
Computers	36,73,637.00
Vehicles	5,19,295.00
AVEO UVA Car No. DL7C E9358	
Office Equipments	25,30,171.58
Furniture and Fixtures	3,87,518.00
Investments	25,00,000.00
Share India Commodity Brokers Pvt. Ltd. (2,50,000 shares)	
Current Assets	
Debtors	8,71,12,625.19
(As per list enclosed)	
Loans & Advances	2,58,11,285.01
(As per list enclosed)	
Stock in hand	52,82,792.50
(As per list enclosed)	
Cash & Bank balances:	
Cash in Hand	1,15,044.73
Bank Balance:	4,35,30,817.51
ICICIBANK LTD - 000405035168	1,936.12
PNB-MAHARAJ GANJ - 2989002105000772	9,361.26

AXIS -230010200014678	10,000.00
ICICI BANK - 000405022413	24,038,800.74
ICICI BANK -NARAINA-033505000399	250.00
HDFC - 0030340004173	2,500,000.00
HDFC MCX - 00030340035964	210,000.00
HDFC MCX - 000303400035974	10,000.00
ICICICDX-000705027989	11,000.00
ICICI BANK LTD - 018505000678	87,504.00
ICICI BANK LTD - 018505000679	301,459.00
ICICI BANK - 000405040574	91,729.46
ICICI BANK - 000705009504	6,391,298.21
ICICI BANK -000705010777	9,800,096.45
ICICI BANK 000705010775	67,382.27
Deposits with Banks:	1,63,00,000.00
FDR ICICI -(NO-414669813)	1,500,000.00
FDR10L-ICICI-(000414670535)	1,000,000.00
FDR ICICI -714867076	1,750,000.00
FDR ICICI -000714869100	2,500,000.00
FDR HDFC -GLOBE-05984460004819	1,000,000.00
FDR ICICI -(NO -414669812)	1,250,000.00
FDR ICICI -(000714867770)	2,000,000.00
FDR ICICI -000714867771)	2,500,000.00
FDR HDFC - NSCCL LTD.	800,000.00
FDR WITH HDFC BANK (MCX GLOBE)	2,000,000.00

Dated this the 20th May, 2010
(By order of the Court)

Sd/-
Joint Registrar (Co.)
for Registrar General

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, ALLAHABAD**

Company Petition No. CP (CAA) No. 184/ALD of 2019

Connected with

Company Application No. CA (CAA) No. 138/ALD of

2019 *(Under Section 230 & 232 of the Companies Act,*

2013)

In the Matter
of:

1. **Total Securities Ltd**, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 3rd Floor, 56/33, Site IV, Industrial Area, Sahibabad, Ghaziabad-201 010, Uttar Pradesh

.....Petitioner Company No. 1/Transferor Company No. 1

AND

2. **Share India Securities Ltd**, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 6th Milestone, New Bhai-Chara Complex, Opposite Mata Mandir, Chikampur, Sahibabad, Ghaziabad-201 006, Uttar Pradesh.

.....Petitioner Company No. 2/Transferee Company

ORDER RESERVED ON :

11.11.2019 ORDER DELIVERED

ON: 21.11.2019

CORAM:

Hon'ble Mr. Justice (Retd.) Rajesh Dayal Khare, Member (Judicial))

For the Petitioners: Mr. Rajeev K Goel, Advocate

For the Regional Director: Mr. Shivendra Bahadur Singh, CGSC

Per: Mr. Justice (Retd.) Rajesh Dayal Khare, Member (Judicial)

ORDER

1. The Present Petition is filed by Petitioner Companies under Sections 230 & 232 of the Companies Act, 2013 read with Rules framed there under as in force from time to time for the Scheme of Amalgamation of Total Securities Ltd with Share India Securities Ltd and their respective Shareholders and Creditors (hereinafter referred to as "**Scheme**" or "**Scheme of Amalgamation**").

(A copy of the Scheme has been annexed and marked as Annexure P-1 to the Company Petition No. 184/ALD of 2019)

2. The proposed Scheme of Amalgamation has previously been approved by the Board of Directors of the Transferor Company and the Transferee Company in the respective meetings held on 3rd December, 2018.
3. The factual position of the Authorized, Issued, Subscribed and Paid up share Capital of the Petitioner Companies as on 31st March, 2018 are described well in the present Company Petition, which are being reproduced hereunder:
 - a. The Authorised Share Capital of the Transferor Company is ` 10,00,00,000 divided into 1,00,00,000 Equity Shares of ` 10 each. The Issued, Subscribed and Paid-up Share Capital of the Company is ` 4,80,00,000 divided into 48,00,000 Equity Shares of ` 10 each.
 - b. The Authorised Share Capital of the Transferee Company is ` 25,00,00,000 divided into 2,50,00,000 Equity Shares of ` 10 each. The Issued, Subscribed and Paid-up Share Capital of the Company is ` 24,42,45,880 divided into 2,44,24,588 Equity Shares of ` 10 each.
4. The Rational of the proposed Scheme of Amalgamation is elaborately described in the present Company Petition which may be summarized as under:
 - a. The Transferor Company and the Transferee Company are engaged in similar activities. The proposed amalgamation of the Transferor Company with the Transferee Company would result in business synergy consolidation of these Companies and pooling of their resources into a single entity.
 - b. The Transferor Company is engaged in Share and Stock Broking, Mutual Funds Distribution, to invest, buy, sell, or otherwise deal in all kind of securities and other related activities. The Transferor Company is a Trading Member of BSE Ltd (Bombay Stock Exchange/BSE) and National Stock Exchange of India Ltd (NSE). The Company has also promoted a wholly owned Subsidiary- Total Securities (IFSC) Pvt. Ltd, in the Country's first International Financial Services Centre- Gujarat International Finance Tec-City (GIFT City), Gandhi Nagar.

Whereas the Transferee Company is engaged in Share and Stock Broking, Commodity Derivatives Broking, Equity Derivatives Broking, Currency Derivatives Broking, Portfolio Management, Research Analysis, Mutual Funds Distribution, and to invest, buy, sell, or otherwise deal in all kind of securities and other related activities. The Transferee Company is a Trading Member of BSE Ltd (Bombay Stock Exchange/BSE) and National Stock Exchange of India Ltd (NSE); and Commodity Derivatives Exchanges, viz. Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Ltd (NCDEX). The Transferee Company is also providing de-mat services as a Depository Participant of Central Depository Services (India) Ltd (CDSL).

The Transferee Company has also started providing merchant banking services through its wholly owned subsidiary-Share India Capital Services Pvt Ltd; NBFC activities through another wholly owned subsidiary- Windpipe Finvest Pvt Ltd. The Company has also promoted a wholly owned subsidiary-Share India Securities (IFSC) Pvt Ltd, in the Country's first International Financial Services Centre-Gujarat International Finance Tec-City (GIFT City), Gandhi Nagar. The Company has also promoted a wholly owned subsidiary-Share India Insurance Brokers Pvt. Ltd for providing insurance broking services.

- c. The Transferor Company has strong presence in the Financial Capital of the Country-Mumbai and other Western States of India. The Transferee Company, on the other hand, operates mainly in Delhi and National Capital Region and Northern part of India. The proposed amalgamation of the Transferor Company with the Transferee Company will provide pan India presence to the merged entity. Post Scheme, the Transferee Company will be able to leverage the combined clientele of these Companies for a large portfolio of services.
 - d. The proposed Scheme of Amalgamation would result in pooling of physical, financial and human resource of these Companies for the most beneficial utilization of these factors in the combined entity. Post Scheme, the Transferee Company will enjoy large financial and physical resources.
 - e. The proposed Scheme of Amalgamation will result in usual economies of a centralized and a large company including elimination of duplicate work, reduction in overheads, better and more productive utilization of financial, human and other resource and enhancement of overall business efficiency. The proposed Scheme will enable these Companies to combine their managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth.
 - f. Shareholders of the listed Transferee Company will enjoy a larger net worth and client base, new markets, improved operating efficiency, better profit margins and higher growth potential for the Company.
 - g. The proposed amalgamation would enhance the shareholders' value of the Transferor and the Transferee Companies.
 - h. The proposed Scheme of Amalgamation will have beneficial impact on the Transferor and the Transferee Companies, their shareholders, employees and other stakeholders and all concerned.
5. It has also been stated in the Petition that none of the Directors of the Petitioner Companies have any material interest in the Scheme, save as except to the extent of shareholding in the abovementioned Petitioner Companies.
6. It has also been stated in the Petition that the Scheme is not prejudicial to the interest of the Shareholders and Creditors of the Petitioner Companies and the Petition is made bona fide and is in the interest of both the Petitioner Companies and their Equity Shareholders, Secured Creditors and Un-secured Creditors as a whole and is also just and equitable.
7. It is also submitted that the Board of Directors of the Petitioner Transferor Company and the Transferee Company have determined the share exchange ratio as under:

The Transferee Company will issue 16 (sixteen) Equity Shares of ` 10 each, credited as fully paid up, for every 10 (ten) Equity Shares of ` 10 each held in the Transferor Company-Total Securities Ltd.

(The copy of the valuation report dated 3rd December, 2018 given by M/s Khandelia & Sharma, Chartered Accountants, New Delhi is annexed in relation to the share exchange ratio).

8. A perusal of the present Petition discloses that initially the Petitioner Companies had filed Company Application No. 138/ALD of 2019 seeking directions of this Tribunal to dispense with the requirement of convening meetings of Shareholders, Secured Creditors and Un-secured Creditors of the Transferor Company and the Transferee Company. Accordingly, this Hon'ble Tribunal vide its order dated 21st May, 2019, dispensed with the requirement of convening meetings of Shareholders, Secured Creditors and Un-Secured Creditors of the Transferor Company and the Transferee Company.
9. This Hon'ble Tribunal vide its order dated 3rd June, 2019 directed to issue notice of hearing in respect of present Company Petition to the Statutory Authorities and also to make paper publication in this respect in **English Newspaper "Business Standard", Delhi NCR Edition and Hindi Newspaper "Business Standard", Delhi NCR Edition.**
10. In compliance thereof, the Petitioner Companies have filed Affidavit of service and publication, confirming that notices have been duly published in English Newspaper "Business Standard", Delhi NCR Edition and Hindi Newspaper "Business Standard", Delhi NCR Edition. The Petitioner Companies has duly served on notices to (a) the Central Government through the office of the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi; (b) the Registrar of Companies, Uttar Pradesh, Kanpur; (c) the Official Liquidator, Allahabad; (d) the Income Tax Department; (e) the SEBI, Mumbai; (f) the BSE Ltd, Mumbai; (g) NSE, Mumbai; (h) the Multi Commodity Exchange of India Ltd (MCX), Mumbai; (i) the National Commodity & Derivatives Exchange Ltd (NCDEX), Mumbai; (j) Indian Commodity Exchange Ltd (ICEX); and (k) the Central Depository Services (India) Ltd (CDSL), Mumbai.
11. In response to the above stated notice, the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi submitted its report through a representation/ affidavit, wherein it has not raised any objection against the Scheme of Amalgamation.
12. In response to the above stated notice, the Official Liquidator, Ministry of Corporate Affairs, Allahabad, Uttar Pradesh has also submitted its report through a representation/ affidavit, wherein it has stated that the affairs of the said Transferor Company as such have not been conducted in a manner prejudicial to the interest of their members or to public interest and that it has no objection to the dissolution of the Transferor Company without winding up pursuant to provisions of Sections 230 & 232 of the Companies Act, 2013 and other applicable sections and rules thereunder.
13. In response to the above stated notice the Income Tax Department has also submitted its comments/ report with respect to the Transferee Company.
14. In response to the comments/reports filed by the Regional Director and the Income Tax Department, the Petitioner Companies have filed their response by way of Affidavits before this Tribunal stating that no proceeding for inspection, inquiry or investigation is pending against the Petitioner Companies as on the date of the aforesaid Affidavit which has also been confirmed in the joint 1st Motion Application as well as in the 2nd Motion Petition filed by the Transferor Company and the Transferee Company. It is submitted that in terms of the Scheme of Amalgamation, any pending prosecution, inspection, enquiry, investigation or litigation against the Transferor Company, if any, will be continued against the Transferee Company after sanctioning of the Scheme. It is further submitted that the Petitioner Companies are not seeking the benefit of any carry forward of losses or depreciation of the Transferor Company and setting off the same in the Transferee Company in terms of the provisions of 72 A of the Income Tax Act, 1961. The same is also confirmed by the Income Tax Department in para 13 of its

report. The Petitioner Companies have undertaken to pay any pending Income Tax demand or other statutory dues in accordance with the provisions of applicable law. The Petitioner Companies have further submitted that since the Petitioner Transferee Company will remain in existence even after the sanction of the Scheme of Amalgamation, the Income Tax Department and other Statutory Authorities will be free to initiate suitable actions against the Petitioner Transferee Company for any act of commission or omission including for the recovery of any tax and other dues/demands post sanction of present Scheme of Amalgamation. The Petitioner Companies have also stated that sanction of the Scheme of Amalgamation will not adversely affect any proceedings that may be initiated by the Income Tax Department or any demand that may be raised against the Transferor Company, as the same may be fully and effectively enforced against the Transferee Company.

15. We have gone through the reports of Ld. Regional Director (Northern Region) Ministry of Corporate Affairs, New Delhi, Ld. Official Liquidator, Ministry of Corporate Affairs, Allahabad, Uttar Pradesh and the Income Tax Department and after perusing the same we are of the view that the sanction of the present Scheme is not against public policy, nor it would be prejudicial to the public interest at large.
16. In addition to above, all the statutory compliance either seems to have been complied with or further undertaken for making compliances by the Petitioner Companies. Therefore, the present Company Petition deserves to be allowed in terms of its Prayer Clause. In the result, the scheme of Amalgamation annexed to Company Petition is duly approved and hereby sanctioned.
17. In the result, the proposed Scheme of Amalgamation which is annexed to the Company Petition stand approved and sanctioned. Petitioner Companies are required to act as per the terms and conditions of the sanctioned Scheme and the same to be binding on its Shareholders, Secured Creditors and Un-secured Creditors of the above named Petitioner Companies and also on the Petitioner Companies with effect from the appointed date i.e. 1st day of April, 2018.
18. While approving the Scheme as above, it is clarified that this order should not be construed as, in any, way, granting exemption from the payment of stamp duty (if any is applicable), taxes (including Income Tax, GST or any other charges, if any are applicable) and payment in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law. Also, the Transferor Company shall stand dissolved without undergoing the process of winding up.
19. The Petitioner Companies shall within thirty days of the date of the receipt of this order cause a certified copy of this order to be delivered to the registrar of the Companies for registration.
20. All the concerned regulatory authorities to act on a copy of this order annexed with the Scheme duly authenticated by the Assistant Registrar, National Company Law Tribunal, Allahabad Bench.
21. Leave is granted to the Petitioners to file the Schedule of Assets.
22. Any person interested shall be at liberty to apply before this Tribunal in the above matter for such directions as may be necessary.

23. Accordingly, at the present Company Petition bearing CP No. 184/ALD of 2019 is allowed and stands disposed of.

Date : 21.11.2019

**Sd/-
Justice Rajesh Dayal Khare
Member (J)**

**SCHEME OF AMALGAMATION
OF
TOTAL SECURITIES LTD
WITH
SHARE INDIA SECURITIES LTD**

**AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 & 232 OF
THE COMPANIES ACT, 2013, AND OTHER APPLICABLE PROVISIONS, IF ANY**

1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- a. **"Act"** means the Companies Act, 2013 (18 of 2013), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and any other Rules made there under, as the case may be applicable; and the Companies Act, 1956 (1 of 1956), to the extent applicable, if any.
- b. **"Appointed Date"** means commencement of business on 1st April, 2018, or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.
- c. **"Board of Directors"** in relation to respective Transferor and Transferee Companies, as the case may be, shall, unless it is repugnant to the context or otherwise, include a Committee so authorised by the Board, or any person authorised by the Board of Directors or such Committee.
- d. **"Effective Date"** means the date on which the transfer and vesting of the entire undertakings of the Transferor Company shall take effect, i.e., the date as specified in Clause 5 of this Scheme.
- e. **National Company Law Tribunal** means appropriate Bench of the Hon'ble National Company Law Tribunal constituted under the Companies Act, 2013, having territorial jurisdiction to sanction the present Scheme and other connected matters. The National Company Law Tribunal has been referred to as the Tribunal/NCLT.
- f. **"Record Date"** means the date to be fixed by the Board of Directors of the Transferor Company and/or the Transferee Company, with reference to which the eligibility of the shareholders of the Transferor Company, for allotment of shares in the Transferee Company in terms of this Scheme, shall be determined.
- g. **"Registrar of Companies"** means concerned Registrar of Companies, Ministry of Corporate Affairs having jurisdiction under the Companies Act, 2013, and other applicable provisions, if any, on the respective Companies.
- h. **"Scheme"** means the present Scheme of Amalgamation framed under the provisions of sections 230 and 232 of the Companies Act, 2013, and other applicable provisions, if any, where under the Transferor Company is proposed to be amalgamated with the Transferee Company in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of the respective Companies and/or by any competent authority and/or by the Hon'ble Tribunal or as may otherwise be deemed fit by the Board of Directors of these Companies.

- i. **"Transferor Company"** means Total Securities Ltd being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at House No. 15-36/G/6th-6, Daman Ganga Darchan Co. Op. Housing Society, Khariwad, Nani Daman, Daman-396 210, Daman and Diu; e-mail: totalsecurities@gmail.com; Web-site: www.totalsecurities.co.in.

The Transferor Company-Total Securities Ltd is proposing to shift its registered office from the Union Territory of Daman and Diu to the State of Uttar Pradesh by amending its Memorandum of Association subject to the requisite approval. As and when the new registered office address of the Transferor Company becomes effective, the abovementioned registered office address of the Transferor Company shall be substituted with the new registered office address and the present Scheme of Amalgamation shall stand updated/modified to that extent without any further approval by the Board of Directors of the concerned Companies or any other authority.

Total Securities Ltd [Corporate Identification No. (CIN): U 67120 DD 2000 PLC 004709; Income Tax Permanent Account No. (PAN): AAB CT 1302 N] (hereinafter referred to as "the Transferor Company/the Company") was incorporated under the provisions of the Companies Act, 1956, as a public limited company, vide Certificate of Incorporation dated 11th January, 2000 issued by the Registrar of Companies, Maharashtra, Mumbai. The Company was issued Certificate for Commencement of Business dated 22nd February, 2000, by the Registrar of Companies, Maharashtra. Registered Office of the Company was shifted from the State of Maharashtra to the State of Tamil Nadu as approved by the Hon'ble Company Law Board, Mumbai Bench, Mumbai, vide Order dated 25th August, 2010. The Registrar of Companies, Tamil Nadu registered the aforesaid order on 8th October, 2010, and allotted a new CIN to the Company. Registered Office of the Company was shifted from the State of Tamil Nadu to the Union Territory of Daman and Diu as approved by the Hon'ble Company Law Board, Chennai Bench, Chennai, vide Order dated 24th August, 2012. The Registrar of Companies, Goa, Daman and Diu, registered the aforesaid order on 18th September, 2012 and allotted a new CIN to the Company.

- j. **"Transferee Company"** means Share India Securities Ltd being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at 6th Milestone, New Bhai-Chara Complex, Opposite Mata Mandir, Chikambarpur, Sahibabad, Ghaziabad-201 006, Uttar Pradesh; e-mail: vikas_cs@shareindia.com; Web-site: www.shareindia.com.

Share India Securities Ltd [Corporate Identification No. (CIN): L 67120 UP 1994 PLC 050209; Income Tax Permanent Account No. (PAN): AAA CF 6462 E] (hereinafter referred to as "the Transferee Company/the Company") was originally incorporated under the provisions of the Companies Act, 1956, as a public limited company with the name and style as 'FMS Securities Ltd' vide Certificate of Incorporation dated 12th July, 1994 issued by the Registrar of Companies, Assam, Meghalaya, Manipur, Tripura, Nagaland, Arunachal Pradesh & Mizoram at Shillong. The Company was issued Certificate for Commencement of Business dated 20th July, 1994 by the Registrar of Companies, Shillong. Registered Office of the Company was shifted from the State of Assam to the NCT of Delhi as approved by the Hon'ble Company Law Board, Eastern Region Bench, Kolkata, vide its Order dated 9th August, 2000. The Registrar of Companies, Delhi & Haryana, New Delhi registered the aforesaid order on 21st December, 2000 and allotted a new CIN to the Company. Name of the Company was changed to its present name 'Share India Securities Ltd' vide Fresh Certificate of Incorporation dated 15th July, 2010 issued by the Registrar of Companies, Delhi & Haryana, New Delhi. Registered Office of the Company was shifted from the NCT of Delhi to the State of Uttar Pradesh as approved by the Hon'ble Company Law Board, New Delhi, vide its Order dated 17th April, 2012. The Registrar of Companies, Uttar Pradesh, Kanpur registered the aforesaid order on 2nd May, 2012 and allotted a new CIN to the Company.

1.2 SHARE CAPITAL

- i. The present Authorised Share Capital of the Transferor Company is `10,00,00,000 divided into 1,00,00,000 Equity Shares of `10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is `4,80,00,000 divided into 48,00,000 Equity Shares of `10 each.
- ii. The present Authorised Share Capital of the Transferee Company is `25,00,00,000 divided into 2,50,00,000 Equity Shares of `10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is `24,42,45,880 divided into 2,44,24,588 Equity Shares of `10 each.
- iii. The Transferor Company is a closely held un-listed public limited company. Whereas the Transferee Company is a public limited company listed on BSE Ltd (Bombay Stock Exchange/BSE). The Scheme of Amalgamation will not result in change in management of the listed Transferee Company.

1.3 Rationale and Benefits of the Scheme: The circumstances which justify and/or necessitate the proposed Scheme of Amalgamation of Total Securities Ltd with Share India Securities Ltd are, inter alia, as follows:

- a. The Transferor Company and the Transferee Company are engaged in similar activities. The proposed amalgamation of the Transferor Company with the Transferee Company would result in business synergy, consolidation of these Companies and pooling of their resources into a single entity.
- b. The Transferor Company is engaged in Share and Stock Broking, Mutual Funds Distribution, to invest, buy, sell, or otherwise deal in all kind of securities and other related activities. The Transferor Company is a Trading Member of BSE Ltd (Bombay Stock Exchange/BSE) and National Stock Exchange of India Ltd (NSE). The Company has also promoted a wholly owned subsidiary- Total Securities (IFSC) Pvt Ltd, in the Country's first International Financial Services Centre- Gujarat International Finance Tec-City (GIFT City), Gandhi Nagar.

Whereas the Transferee Company is engaged in Share and Stock Broking, Commodity Derivatives Broking, Equity Derivatives Broking, Currency Derivatives Broking, Portfolio Management, Research Analysis, Mutual Funds Distribution, and to invest, buy, sell, or otherwise deal in all kind of securities and other related activities. The Transferee Company is a Trading Member of BSE Ltd (Bombay Stock Exchange/BSE) and National Stock Exchange of India Ltd (NSE); and Commodity Derivatives Exchanges, viz., Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Ltd (NCDEX). The Transferee Company is also providing de-mat services as a Depository Participant of Central Depository Services (India) Ltd (CDSL).

The Transferee Company has also started providing merchant banking services through its wholly owned subsidiary-Share India Capital Services Pvt. Ltd; NBFC activities through another wholly owned subsidiary-Windpipe Finvest Pvt. Ltd. The Company has also promoted a wholly owned subsidiary-Share India Securities (IFSC) Pvt Ltd, in the Country's first International Financial Services Centre-Gujarat International Finance Tec-City (GIFT City), Gandhi Nagar. The Company has also promoted a wholly owned subsidiary-Share India Insurance Brokers Pvt Ltd for providing insurance broking services.

- c. The Transferor Company has strong presence in the Financial Capital of the Country-Mumbai and other Western States of India. The Transferee Company, on the other hand, operates mainly in Delhi and National Capital Region and Northern part of India. The proposed amalgamation of the Transferor Company with the Transferee Company will provide pan India presence to the merged entity. Post Scheme, the Transferee Company will be able to leverage the combined clientele of these Companies for a large portfolio of services.
- d. The proposed Scheme of Amalgamation would result in pooling of physical, financial and human

resource of these Companies for the most beneficial utilization of these factors in the combined entity. Post Scheme, the Transferee Company will enjoy large financial and physical resources.

- e. The proposed Scheme of Amalgamation will result in usual economies of a centralized and a large company including elimination of duplicate work, reduction in overheads, better and more productive utilization of financial, human and other resource and enhancement of overall business efficiency. The proposed Scheme will enable these Companies to combine their managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth.
- f. Shareholders of the listed Transferee Company will enjoy a larger net worth and client base, new markets, improved operating efficiency, better profit margins and higher growth potential for the Company.
- g. The proposed amalgamation would enhance the shareholders' value of the Transferor and the Transferee Companies.
- h. The proposed Scheme of Amalgamation will have beneficial impact on the Transferor and the Transferee Companies, their shareholders, employees and other stakeholders and all concerned.

2. TRANSFER OF UNDERTAKING

- a. With effect from the commencement of business on 1st April, 2018, i.e., the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, the undertaking and entire business and all immovable properties (including office land and building, agricultural land, industrial land, residential land and all other land and plots) where so ever situated and incapable of passing by physical delivery as also all other assets, capital work-in-progress, Computer Systems including hardware, software, licenses in relation thereto as well as all equipments attached and/or incidental thereto, leased lines, VSATs, Internet and Broadband Connections, Colocation facilities, data centre facilities, Funds, FDRs, Bank Guarantees, Securities, Mutual Fund Units and/or any other like asset either held on a free-hold basis and/or pledged/placed with any Stock Exchange, Clearing Corporation, Clearing Member, Depository, Bank, NBFC, Financial Institutions, Trading Right and/or any right/license obtained by the Transferor Company in relation to its business operations, Credit facilities obtained from any Bank/NBFC/Financial Institution, investments, deposits, other current assets, powers, authorities, awards, allotments, approvals and consents, licenses, registrations, contracts, agreements, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to, licenses granted by various government authorities, lease deeds, lease agreements, conveyance deed, registry, sale agreements, purchase agreements, memorandum of understanding (MOU), joint development agreement, joint venture agreements, award on successful bidding and/or auction, earnest money, deposits, approval/ NOC given by various government and other competent authorities like environmental clearances, approval for land use change (CLU), completion certificate, approval/NOC from fire department, approval/NOC for water, electricity and sewerage, clearance by airport authority, approval/NOC from irrigation department, approval/NOC from forest department, approval/NOC from underground water authority, approval/NOC from national highway authority, approval/NOC from high tension department, all permits and licenses, lift/escalator license, liberties, easements, advantages, benefits, incentives, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, brands, copy rights; Vendor Approvals, registrations with Customers, Pre-Qualifications, experience & credentials, benefits, certifications, quota rights, subsidies, capital subsidies, concessions, exemptions, sales tax exemptions, concessions/ obligations under EPCG/Advance/ DEPB licenses, approvals,

clearances, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as "the said assets") shall, without any further act or deed or without payment of any duty or other charges, be transferred to and vested in the Transferee Company pursuant to the provisions of Section 232 of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company but, subject to mortgages, charges and encumbrances, if any, then affecting the undertaking of the Transferor Company without such charges in any way extending to the undertaking of the Transferee Company.

- b. Notwithstanding what is provided herein above, it is expressly provided that in respect to such of the said assets as are movable in nature or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, the same shall be so transferred, with effect from the appointed date, by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any order of the Tribunal or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the property of the Transferee Company accordingly.
- c. On and from the Appointed Date, all liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date and shall be the liabilities, provisions, duties and obligations of the Transferee Company.
- d. Similarly, on and from the Appointed Date, all the taxes and duties including advance tax, tax deducted at source, tax collected at source, credit of MAT, self-assessment tax paid by or on behalf of the Transferor Company immediately before the amalgamation shall become or be deemed to be the property of the Transferee Company by virtue of the amalgamation. Upon the Scheme becoming effective, all the taxes paid (including TDS) by the Transferor Company from the appointed date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same. Further, upon the Scheme becoming effective, the Transferee Company shall be entitled to carry forward of CENVAT Credit, Value Added Tax Credits, Input Tax Credit under Goods and Service Tax, Tax Holiday under section 80IC of the Income Tax Act, 1961, of the Transferor Company.
- e. Without prejudice to the generality of the provisions contained in aforesaid clauses, upon the Scheme becoming effective, requisite form(s) will be filed with the Registrar of Companies for creation, modification and/or satisfaction of charge(s), to the extent required, to give effect to the provisions of this Scheme.
- f. On the Scheme becoming effective, the Transferee Company shall be entitled to revise, submit or file Financial Statements, various returns and other documents including Income Tax Returns, TDS Returns, Sales Tax Returns, VAT Returns, GST Returns and other statutory filings and returns, filed by it or by the Transferor Company, to the extent required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any.
- g. On the Scheme becoming effective, the Transferee Company, if so required, shall be entitled to maintain a Bank Account in the name of the Transferor Company to enable it to deposit/encash any refund or other payment received in the name of the Transferor Company. All such deposits will, then, be transferred to the bank account of the Transferee Company. It may, however, be clarified that such bank account (in the name of the Transferor Company) will be used only for the limited purpose of depositing/encashing any refund or other payments received in the name/in favour of the Transferor Company. Such bank account will not be used for normal banking

transactions.

- h. All other assets & liabilities of the Transferor Company, which may not be specifically covered in the aforesaid clauses, shall also stand transferred to the Transferee Company with effect from the Appointed Date.

3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- a. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature, to which the Transferor Company is a party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party thereto.
- b. The transfer of the said assets and liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or legal proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the liabilities already concluded by the Transferor Company on or after the Appointed Date.
- c. The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and, to implement and carry out all such formalities or compliance referred to above on the part/benefit of the Transferor Company to be carried out or performed.

4. LEGAL PROCEEDINGS

All legal proceedings of whatever nature by or against the Transferor Company pending on the Effective Date, shall not be abated, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

5. OPERATIVE DATE OF THE SCHEME

- a. This Scheme shall be effective from the last of the dates on which certified copies of order of the Tribunal under Sections 230 and 232 of the Companies Act, 2013, are filed in the office(s) of the concerned Registrar of Companies. Such date is called as the Effective Date.
- b. Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

6. DISSOLUTION OF TRANSFEROR COMPANY

On this Scheme, becoming effective as provided in Clause 5 above, the Transferor Company shall stand dissolved without the process of winding up.

7. EMPLOYEES OF TRANSFEROR COMPANY

- a. All the employees of the Transferor Company in service on the date immediately preceding the date on which the Scheme finally takes effect, i.e., the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and upon terms

and conditions not less favourable than those subsisting in the Transferor Company on the said date.

- b. Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continued for the purpose of the aforesaid funds or provisions.

8. CONDUCT OF BUSINESS BY TRANSFEROR & TRANSFeree COMPANIES

From the Appointed Date until the Effective Date, the Transferor Company

- a. Shall stand possessed of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.
- b. Shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges and expenses or loss arising or incurring by the Transferor Company on and from the Appointed Date shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or loss, as the case may be, of the Transferee Company.

9. ISSUE OF SHARES BY TRANSFeree COMPANY

- 9.1 Upon the Scheme finally coming into effect and in consideration of the transfer and vesting of all the said assets and liabilities of the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot Share(s) to the Shareholders of the Transferor Company, whose names appear in the Register of Members as on the Record Date, in the following ratio:
 - a. The Transferee Company will issue 16 (sixteen) Equity Shares of `10 each, credited as fully paid up, for every 10 (ten) Equity Shares of `10 each held in the Transferor Company-Total Securities Ltd.
- 9.2 Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to nearest whole number.
- 9.3 The Equity Shares to be issued in terms of Para 9.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company. New Equity Shares shall rank paripassu in all respects, including dividend, with the existing Equity Shares of the Transferee Company.
- 9.4 The issue and allotment of Equity Shares by the Transferee Company, as provided in this Scheme, is an integral part thereof. The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their approval under sections 42 & 62 of the Companies Act, 2013, and other applicable provisions, if any, for issue of fresh Equity Shares in terms of this Scheme.
- 9.5 It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Transferee Company will not apply to the share application money, if any, which may remain outstanding in the Transferor Company.

- 9.6 In terms of the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, new Equity Shares to be issued by the Transferee Company to the Shareholders of the Transferor Company, pursuant to this Scheme, shall be listed on BSE Ltd being the Stock Exchange on which the Equity Shares of the Transferee Company are presently listed. The Transferee Company will make necessary application(s) to the Stock Exchange and other competent authorities, if any, for this purpose and will comply with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement SEBI Regulations, SEBI Circulars and other applicable provisions, if any, in this regard. The concerned Stock Exchange and SEBI, shall, on receipt of listing application(s) and other documents, promptly grant necessary approval(s) and list the new Equity Shares issued by the Transferee Company.
- 9.7 In case any Promoters' holding in the Transferee Company and/or new Shares to be issued in the Transferee Company in terms of this Scheme, are placed under lock-in by the Stock Exchange(s), SEBI or any other competent authority, pursuant to the provisions of the Listing Agreement and SEBI Regulations, etc., such locked-in shares may be transferred within the Promoters' Group during such lock-in period.
- 9.8 Shares allotted pursuant to this Scheme may remain frozen in the Depositories system till listing/trading permission is given by the Stock Exchange(s). The Transferee Company will comply with the applicable provisions in this regard.
- 9.9 BSE Ltd will act as the Designated Stock Exchange for the purposes of this Scheme.

10. Upon this Scheme becoming finally effective:

- a. Entire Issued Share Capital and share certificates of the Transferor Company shall automatically stand cancelled. Shareholders of the Transferor Company will not be required to surrender the Share Certificates held in the Transferor Company.
- b. Cross holding of shares between the Transferor Company and the Transferee Company on the record date, if any, shall stand cancelled. Approval of this Scheme by the Shareholders and/or Creditors of the Transferor and the Transferee Companies, as the case may be, and sanction by the Tribunal under section 230 and 232 of the Companies Act, 2013, shall be sufficient compliance with the provisions of sections 66 of the Companies Act, 2013, and other applicable provisions, if any, relating to the reduction of share capital on cancellation of cross holding, if any. Such reduction would not involve either the diminution of any liability in respect of un-paid share capital or the payment to any shareholder of any paid-up share capital.
- c. The authorised share capital of the Transferor Company shall be added to and shall form part of the authorised share capital of the Transferee Company. Accordingly, the authorised share capital of the Transferee Company shall stand increased to the extent of the aggregate authorised share capital of the Transferor Company as on the effective date. In terms of the provisions of section 232(3)(i) of the Companies Act, 2013, and other applicable provisions, if any, the aggregate fees paid by the Transferor Company on the authorised capital shall be set-off against the fees payable by the Transferee Company on the increase in the authorised share capital as mentioned above. It is hereby clarified that the Transferee Company will pay the balance fee and other charges, if any, on the aforesaid increase in the authorised share capital after deducting the aggregate fees paid by the Transferor Company on its pre-merger authorised share capital.

Clause V/Capital Clause of the Memorandum of Association and relevant article(s) of the Articles of Association, if any, of the Transferee Company shall stand modified to give effect to the

aforesaid increase in the authorised share capital of the Transferee Company. Approval of the present Scheme of Amalgamation by the Shareholders of the Transferor/Transferee Companies will be sufficient for the aforesaid modification in Clause V of the Memorandum of Association and relevant article(s) of the Articles of Association, if any, of the Transferee Company and no further approval will be required for the same.

- d. Save as provided in Para 10.c above, the Transferee Company shall increase/modify its Authorized Share Capital for implementing the terms of the Scheme, to the extent necessary.

11. ACCOUNTING FOR AMALGAMATION

Upon the Scheme becoming effective, amalgamation of the Transferor Company with the Transferee Company will be accounted for in accordance with the applicable provisions of the Companies Act, 2013, Accounting Standards prescribed under section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles in India (Indian GAAP), as the case may be.

In terms of the Accounting Standards as prescribed under the Companies (Accounting Standards) Rules, 2006, Ind AS as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as may be applicable, amalgamation of the Transferor Company with the Transferee Company will be an 'amalgamation in the nature of merger' and will be accounted for under the 'pooling of interests' method. Following are the salient features of the accounting treatment to be given:

- a. All the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the respective book values as reflected in the books of the Transferor Company as on the Appointed Date.
- b. Cross investments or other inter-company balances, if any, will stand cancelled.
- c. All the reserves of the Transferor Company under different heads shall become the corresponding reserves of the Transferee Company. Similarly, balance in the Profit & Loss Accounts of the Transferor and Transferee Companies will also be clubbed together.
- d. Any deficit arising out of amalgamation (including on account of cancellation of cross holdings or any other inter-company balances) shall be adjusted against reserves and surplus, if any, in the books of the Transferee Company. Whereas any surplus arising out of Amalgamation (including on account of cancelling of cross holdings or any other inter-company balances) shall be credited to capital reserve.
- e. Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the amalgamation.
- f. It is, however, clarified that the Board of Directors of the Transferee Company, in consultation with the Statutory Auditors, may account for the present amalgamation and other connected matters in such manner as to comply with the provisions of section 133 of the Companies Act, 2013, the applicable Accounting Standard(s), Generally Accepted Accounting Principles and other applicable provisions, if any.

12. APPLICATION TO NATIONAL COMPANY LAW TRIBUNAL

- a. The Transferor Company shall make joint/separate applications/ petitions under the provisions of sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, to the Hon'ble National Company Law Tribunal for sanctioning of this Scheme, dissolution of the Transferor Company without the process of winding up and other connected matters.
- b. The Transferee Company shall also make joint/separate application(s)/petition(s) under the provisions

of sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016 and other applicable provisions, if any, to the Hon'ble National Company Law Tribunal for sanctioning of this Scheme and other connected matters.

13. COMPLIANCE WITH SEBI REGULATIONS

- a. In terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations); Securities and Exchange Board of India (SEBI) Circular No. CIR/CFD/CMD/16/2015 dated 30th November, 2015, read with the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, and the SEBI Circular No. CFD/DIL3/CIR/2017/26 dated 23rd March, 2017, SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 3rd January, 2018 and other applicable provisions, if any, the present Scheme of Amalgamation is required to be approved by Public Shareholders (i.e., Equity Shareholders other than those forming part of Promoters and Promoters' Group) of the Listed Transferee Company by passing a Resolution through e-voting and other means, as may be applicable. In terms of the aforesaid SEBI Circulars, the Scheme will be acted upon only if the votes cast by Public Shareholders of the Listed Transferee Company in favour of the proposed Scheme are more than the number of votes cast by Public Shareholders against the Scheme, if any.
- b. The Transferee Company will comply with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, in connection with this Scheme and other connected matters.

14. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- a. The Transferor Company and the Transferee Company through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Tribunal and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.
- b. In order to give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and are authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.
- c. The Transferor Company and/or the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition, alteration or modification, imposed or suggested by the Tribunal or any other competent authority, is not acceptable to them; or as may otherwise be deemed fit or proper by any of these Companies. The Transferor Company and/or the Transferee Company will not be required to assign the reason for withdrawing from this Scheme.

15. INTERPRETATION

If any doubt or difference or issue arises between the Transferor Company and the Transferee Company or any of their Shareholders or Creditors and/or any other person as to the construction hereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to Mr Rajeev K Goel, LLB, FCS, Advocate, Rajeev Goel & Associates, Advocates and Solicitors, 785, Pocket- E, Mayur Vihar II, Delhi Meerut Expressway/NH-24, Delhi 110 091, Mobile: 93124 09354, e-mail: rajeev391@gmail.com; Website: www.rgalegal.in, whose decision shall be final and binding on all concerned.

16. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the amalgamation exercise or incidental thereto shall be borne and paid by the respective Companies incurring the same.

ANNEXURE No. 1**Total Securities Ltd****(Transferor Company)****Schedule of Properties****(As on 1st April, 2018)**

Particulars	Amount (in Rs.)
PART-I	
Short Description of the Free hold Property of the Transferor Company	
1. Eden Garden, 1st Floor and Office No. 8, Mahavir Nagar, Opp. MCA Ground, Kandivali West, Mumbai - 400067	2,46,46,171
2. Shop No. 406 and 503, Sej Plaza, Marve Road, Malad West, Mumbai - 400064	1,87,54,431
3. Shop No. 310 & 311, Nirmal Galaxy, Avior Building, L.B.S. Marg, Near Johnson & Johnson, Mulund West, Mumbai - 400080	3,44,72,450
4. 15-36/G/6th-6, Daman Ganga Darchan Co-Op. Housing Society, Khariwad, Nani Daman, Daman - 396210, Daman & Diu	3,73,868
PART-II	
Short Description of the Lease hold Property of the Transferor Company	
219/220, Krishna Square, Near Kanha Restaurant, Soubash Nagar Shopping Centre, Shastri Nagar, Jaipur - 302016	2,45,438
PART-III	
Short Description of all the Stocks, Shares, Debentures and other Charges in Action of the Transferor Company	
Fixed Assets	
Computers	15,40,840
Vehicles	31,38,655
Office Equipments	
1. Air-condition	1,77,108
2. Television	35,612
3. Electrical Equipment	8,39,358
4. Office Equipment	94,163

Furniture and Fixtures	63,23,907
Current Assets	
Investment in Shares	
1. Bombay Stock Exchange Limited (30,000 shares)	30,41,538
2. Share India Securities Limited (1,98,000 shares)	81,58,068
3. Total Securities Overseas Limited (1,70,000 shares)	84,57,364
4. Total Securities (IFSC) Private Limited (15,49,999 shares)	1,55,00,000
5. Nandan Biomatrix Limited (6,750 shares)	17,82,000
6. Pyramid Saimira Production International Limited (20,000 shares)	12,00,000
7. Maxx Mobile (52,647 shares)	24,74,800
8. ICICI Prudential's PMS Real Estate Securities Portfolio Series - I	1,70,200
Inventories	4,83,58,759
Loans & Advances	
1. Advance tax [net of provision for tax]	27,943,538
2. Advance recoverable in cash or in kind or for value to be received	24,33,775
3. Deposit with stock exchanges	2,08,50,000
4. Others	2,71,43,677
5. Prepaid expenses	26,56,127
Other Current Assets	21,50,618
Cash & Bank balances	
Cash in Hand	141,792
Bank Balance:	
ICICI Bank	1,03,70,671
HDFC Bank	24,38,465
Yes Bank	2,32,800
Deposits with Banks:	
ICICI Bank	50,00,000
HDFC Bank	13,08,46,995

Dated : 21/11/2019

Sd/-

**S.A. MEHDI DESIGNATED REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD U.P.**