

**DRAFT**

ARTICLES OF ASSOCIATION  
OF  
**SITA ENTERPRISES LIMITED**

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

**1. Preliminary and Application of Table F**

- (1) The following regulations comprised in these Articles of Association were adopted pursuant to the members' resolution passed at the Annual General Meeting of the Company held on September 28, 2018, in substitution for and to the entire exclusion of, the regulations comprised in the former Articles of Association of the Company.
- (2) The Regulations contained in Table "F" in Schedule I of the Companies Act, 2013 ("Table F") as are applicable to a public company limited by shares, shall apply to the Company so far as they are not inconsistent with any of the provisions contained in these Articles or modifications thereof. In cases of matters where there is no specific provision in these Articles the provisions of table F shall apply. In case of any conflict between the provisions of these Articles and Table F, the provisions of these Articles shall prevail.

**2. Definitions & Interpretation**

- (1) In these Articles —
  - (a) "the Act" means the Companies Act, 2013,
  - (b) "the seal" means the common seal of the company.
  - (c) "the company" means Sita Enterprises Limited, a company incorporated under the Companies Act, 1956.
- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as defined or mentioned in The Companies Act, 2013 or any statutory modification thereof in force at the date at which these regulations become binding on the company.
- (3) In these Articles, unless there is something in the subject or context inconsistent therewith Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

**3. Share capital, variation of rights and Issue of Securities**

- (1) The Authorised Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.
- (2) Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever (including the goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.
- (3) The Company may issue shares and securities including equity, preference or such other class or classes of shares with or without voting rights and / or with differential rights as to dividend, voting or otherwise in accordance with these Articles, the Act, the Rules and other applicable laws.
- (4) The company may issue all types of securities as defined in the Act including warrants, sweat shares, securities under employees stock option scheme, convertible and non convertible debentures, bonds, options subject to the applicable acts and provisions.

- (5) A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.
- (6) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –
- i. persons who, at the date of offer, are holders of Equity Shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
  - ii. employees under any scheme of employees' stock option; or
  - iii. any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.
  - iv. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act, the Rules made thereon and other applicable acts and provisions

#### **4. Lien**

- (1) In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.
- (2) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.
- (3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

#### **5. Transmission of shares**

- (1) The Company and the board shall be fully indemnified by the person to whom any shares are transmitted for all liabilities and claims, if any, for actions taken by the Board to give effect to registration or transfer.

#### **6. Buy-back of shares**

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

#### **7. Proceedings at general meetings**

- (1) On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have second or casting vote.

#### **8. Board of Directors**

- (1) Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 and shall not be more than 15.
- (2) A director shall not be required to hold any qualification shares of the company.
- (3) The Board may appoint an alternate director to act for a director (hereinafter in these Articles referred to as "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.

- a. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
- b. If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.
- c. If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.
- d. The board may appoint person or persons as managing director, Whole time director, executive director, non executive director, nominee director, additional director, alternate director or such other director as may be allowed as per the provisions of the Companies Act, 2013 and all applicable provisions on such terms, conditions, remuneration, fees, salary, commission, perquisites and benefits as it may deem fit.

## **9. Powers of Board**

- (1) The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- (2) The Board may, from time to time and at its discretion, subject to the provisions of the Act, raise or borrow either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company.
- (3) The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, or other tangible security on the under- taking of the whole or any part of the Company (both present and future) but shall not create a charge on its capital for the time being without the sanction of the Company in the General Meeting.
- (4) The board may delegate any of its powers, function, duty, act, task to any other director, committee, officer of the company or to any other person on such terms and conditions, restrictions, authority as it may deem fit.
- (5) The boards shall be authorised to carry out, undertake and execute all acts on behalf of the company as required by or permitted under the provisions of the Companies Act, 2013, Securities and Exchange Board of India Regulations and all other applicable acts and provisions without there being any specific article in that behalf herein provided.

## **10. Proceedings of the Board**

- (1) The participation of directors or other persons in a meeting of the Board or of any committee may be either in person or through video conferencing or audio visual means or teleconferencing or any other means as may be prescribed by the Rules or permitted under law.

## **11. Chief Executive Officer, Manager, Company Secretary, Chief Financial Officer or other officers**

- (1) The board may appoint Chief Executive Officer, Manager, Company Secretary, Chief Financial Officer or other officers on such terms and remuneration as per the applicable provisions.

## **12. Managing Director**

- (1) Subject to the provisions of Sections 196, 197, and 203 and Schedule V of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors of the Company and may, from time to time (subject to the provisions of any contract between him or them and the Company), remove or

dismiss him or them from office and appoint another or others in his place or their places. The Managing Director shall exercise such powers as may be delegated to him by the Board subject to its overall control and supervision. The Managing Director shall report all material actions undertaken, or proposed to be undertaken, by him in the exercise of powers delegated to him to the Board of Directors at their meetings.

- (2) Subject to the provisions of Act and Rules and Schedule of the Act, a Managing Director shall, in addition to the remuneration payable to him as a Director of the Company under the Articles, receive such additional remunerations as may, from time to time, be sanctioned by the Company.
- (3) Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in the Act thereof, the Board may, from time to time, entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such powers, either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

### **13. Dividends and Reserve**

- (1) The Board may retain dividends payable upon such shares which are yet to be transmitted in case of death, insolvency or otherwise until such shares are transmitted to a new member.
- (2) Payment of dividend or other dues 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.
- (3) The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.
- (4) All unpaid and unclaimed dividends shall be dealt with in accordance with the provisions of the Act and rules made there under.

### **14. Dematerialization of Securities**

- (1) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996.
- (2) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, deal in , hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.
- (3) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Act and the Depositories Act, 1996, containing details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by law(s) including any form of electronic media.
- (4) The Company shall have the power to keep in any state or country outside India a branch register resident in that state or country.
- (5) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act, 1996.

## 15. Indemnity & Insurance

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

## 16. General Power

- (1) Wherever in the Companies Act, 2013, rules made thereon or in all other applicable acts and provisions it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.
- (2) The provisions of these Articles and table F of schedule I relating to shares for issue of certificates, lien, calls, dematerialisation, transfer, transmission, forfeiture, alteration of capital, buy back and all other matters shall *mutatis mutandis* apply to all other securities including preference shares, debentures, bonds, warrants, options subject to the provisions of the Act and other applicable provisions.

Subscribers to the original Articles of Association

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

<b>Signature, Name, address, description and Occupation of Subscriber</b>	<b>Number of Shares taken by each subscriber</b>	<b>Signature, name, addresses, descriptions and Occupations of witness.</b>
Sd/- D. K. Goyal Mr Dharmendra Kumar Goyal S/o. (Late) Shri Triloknath Goyal 26, Trilok Darshan, 6 <sup>th</sup> Floor, 4 <sup>th</sup> Kasturba Road, Borivali (East), Bombay – 400 066 Business	10 (Ten) Equity Shares	Sd/- S. B. Soman S/o. Bhargava Soman B/1, Swati Amrit Kumbha Society, Chitle Marg, Dadar, Bombay – 400 028 Chartered Secretary
Sd/- L.D. Goyal, Late Dharmendra Goyal W/o. Dharmendra Kumar Goyal 26, Trilok Darshan, 6 <sup>th</sup> Floor, 4 <sup>th</sup> Kasturba Road, Borivali (East), Bombay – 400 066 Business	10 (Ten) Equity Shares	
TOTAL	20 (Twenty) Equity Shares	

Bombay, dated this 24<sup>th</sup> day of February 1982.