

(THE COMPANIES ACT, 2013)  
 (COMPANY LIMITED BY SHARES)  
**ARTICLES OF ASSOCIATION**  
 OF  
**ASCLEPIUS WELLNESS PRIVATE LIMITED**

**I. PRELIMINARY**

1. The Regulations contained in Table 'F' in the First Schedule to (The Companies Act, 2013) shall apply to the Company except in so far as otherwise expressly incorporated hereinafter.

**II. INTERPRETATION**

2. (i) In these Regulations:-

(a) "Company" means **ASCLEPIUS WELLNESS PRIVATE LIMITED**

(b) "Office" means the Registered Office of the Company.

(c) "Act" means the Companies Act, 2013 and any statutory modification thereof.

(d) "Seal" means the Common Seal of the Company.

(e) "Director" means a director appointed to the Board of a company

(f) "directly or indirectly" shall include the Director either on his/her own account, or as a partner, owner, promoter, joint venture, Employee, agent, consultant, advisor, trainer, manager, executive, independent contractor, officer, director, or a shareholder in any other Direct selling Entity in India or Outside India.

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

**PRIVATE COMPANY**

3. The company is a "Private Company" within the meaning of Section 2 (68) of the Companies Act, 2013 and accordingly:-

(i) restricts the right to transfer its shares;

(ii) Except in case of One Person Company, limits the number of its members to two hundred:

Provided that where two or more persons hold one or more shares in a company jointly, they shall, for the purposes of this clause, be treated as a single member:

Provided further that—

(A) Persons who are in the employment of the company; and

(B) Persons who, having been formerly in the employment of the company, were members of the company while in that employment and have continued to be members after the Employment ceased, Shall not be included in the number of members; and

(iii) prohibits any invitation to the public to subscribe for any securities of the company;

**SHARE CAPITAL**

4. The Authorised Share Capital of the company shall be that amount referred to in Clause V of the Memorandum of Association.

(i) The paid up capital of the company shall be minimum Rs 1,00,000/- (Rupees One Lac) only

5. The company in general meeting may reduce and increase the share capital of the company by such sum to be divided into shares of such amount and of such classes with such rights and privileges attached thereto as the general meeting shall direct, and if no such direction be given, as the Directors may determine.

### **MEMBERSHIP**

6. Membership will be granted to only those persons whose names are approved by the Board of Directors.

### **TRANSFER OF SHARES**

7. Save as herein provided, no transfer of shares shall be made or registered, unless it be as between the joint shareholders inter-se or a transfer to his/her wife/husband and/or children without the previous sanction of the Board of Directors who may, in their absolute and uncontrolled discretion, subject to provisions of Companies Act, 2013, decline to register any transfer of share without assigning any reason. The Board of Directors may also decline to register any transfer of shares if they are of opinion that it would not be desirable to allow the proposed transferee to become a member of or to increase the holding of the company.
8. Save as subject to provisions of Companies Act, 2013, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and specifying the name, address and occupation of the transferee has been delivered to the company together with the certificate, or if no such certificate be in existence, the letter or allotment of such shares in accordance with the provisions of Companies Act, 2013. The Transferor shall be deemed to remain a member in respect of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof.
9. A fee not exceeding Re. 1/- (Re. One) may be charged for each transfer approved by the Directors.
10. A member intending to sell any shares shall give notice of his intention to the Board of Directors who shall offer such shares to all the members in proportion to their respective holdings in the company and may thereupon find one or more members willing to purchase the same. This shall be done within two months of receipt of such notice.
11. The price payable for the purchase of shares, unless otherwise agreed shall be their fair value which shall be determined by the company's auditors and the decision of the auditors of the company shall be binding on the seller and the purchaser.
12. In case the Board of Directors shall fail to find a purchaser within the period specified in Article above at the aforesaid fair value the member intending to sell his shares shall be at liberty to sell the same to any person at such price as he considers proper and the Directors shall subject to their right to decline such registration register the transfer of such shares.
13. The right of pre-emption set out in Articles above shall not be enforced in case of transmission or transfer of shares in favour of the heirs of a member.

### **PROCEEDINGS OF THE GENERAL MEETING**

14. Subject to the provisions of Companies Act, 2013 the first Annual General Meeting of the Company shall be held within 9 (Nine) months from the date of incorporation and thereafter once at least in every calendar year at such intervals (not being more than fifteen months after holding of the preceding annual general meeting) and at such place, as the Directors may determine from time to time.
15. No business shall be transacted at any General Meeting unless a quorum of members is present. At least two members present in person shall be a quorum for a General Meeting.
16. On a show of hands every member present in person shall have one vote. On a poll the voting rights of members shall be laid as per provisions of Companies Act, 2013.

## DIRECTORS

17. The number of Directors shall not be less than two and not more than ten.
18. Subject to the provisions of the Companies Act, 2013, the following shall be the First Directors of the Company who shall be non-rotational Directors till they voluntarily resign :-
1. **AMIT KUMAR**
  2. **MAM CHAND RAIPURIYA**
19. (a) The Company in general meeting shall have power at any time to appoint one or more persons as non-rotational Directors for such time and on such terms as they may be determined.
- (b) The remaining Directors shall be appointed by the company in General Meeting and shall hold office till they resign or are removed from office or are otherwise to be deemed to have vacated their office by virtue of any provision of law or these Articles, casual vacancies being filled up in accordance with the provisions mutatis mutandis of Companies Act, 2013
- (c) The Company may, from time to time, in General Meeting increase or reduce the number of Directors within the limits laid down in Articles and determine in what rotation such increased or reduced number shall go out of office.
20. The Directors shall not be required to hold any qualification shares in the Company.
21. (a) The Directors shall have power at any time and from time to time, to appoint any other person to be an additional Director but the total number of Directors shall not any time exceed the maximum limit fixed by Articles above. The Board of Directors shall also have the power to fill a casual vacancy in the Board.
- (b) Any Director appointed as an additional Director or to fill a casual vacancy shall continue in office till the next annual general meeting held after such appointment but shall be eligible for appointment by the company as a Director at the meeting, subject to the provisions of the Act.
22. Subject to the provisions of the Companies Act, 2013 and rules framed there under. The Directors shall be entitled to the following :
- (a) A sitting fee not exceeding Rs. 250/- (Rupees Two hundred fifty) or Rs. 150/- (Rupees One Hundred Fifty) for attending each meeting of the Board of Directors or subcommittee thereof respectively.
- (b) Such travelling and other expenses for attending meeting of the Board or sub-committee or for other business of the company as the Directors may determine from time to time.
23. Subject to the provisions of the Companies Act, 2013 If any Director, being willing, shall be called upon to perform extra service or to make any special exertions in the going or residing away from the place of his normal residence for any of the purposes of the company, the company may remunerate the Director so doing either by a fixed sum or by a percentage on profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided for the Directors.
24. The Board of Directors may appoint any alternate Director in accordance with the provisions of Companies Act, 2013.
25. Subject to provisions of Companies Act, 2013, no Director shall be disqualified from his office by contracting with company either as vendor, purchase or otherwise, nor shall any such contract or

arrangement entered into by or on behalf of the company in which any Director shall be concerned or interested be avoided, nor shall any Director so contracting or being so concerned or interested be liable to account to the company for any profit realized by any such contract or arrangement by reason of such Directors holding that office or of the fiduciary relations thereby established, but the nature of interest must be disclosed by him at the meeting of the Director at which the contract or arrangement is determined if his interest then exists or in any other case at the first meeting of the Directors after acquisition of his interest, but these provisions shall not apply to any contract by or on behalf of the company to give the Directors or any of them may suffer by reason of becoming or being sureties for the company, A general notice that a Director is a member of any specified firm or company and is to be regarded as interested in any subsequent transaction with such firm or Company shall as regards any such transaction be sufficient disclosure under this clause and after such general notice it shall not be necessary to give any special notice relating to any particular contract with such firm or Company.

#### **POWERS OF THE DIRECTORS**

26. The business of the Company shall be managed by the Board of Directors who may pay all such expenses preliminary or incidental to the promotion, formation, establishment and registration of the Company, as they think fit, and may exercise all such powers and do all such acts as may be exercised or done by the Company and are not by statute or these Articles, required to be exercised or done by the Company in general meeting but subject nevertheless to any regulations in these Articles and to the provisions of any statute and to any regulation not inconsistent with these Articles made by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.
27. The Board of Directors may, from time to time, subject to the provisions of the Companies Act, 2013 and the Rules made there under and directives issued by Reserve Bank of India raise or borrow any sums money for and on behalf of the company from the members or other persons, companies, banks, financial institutions, corporation or they may themselves advance money to the Company on such interest as may be approved by them.
28. The Board of Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of debentures or bonds of the Company or by mortgage or charge of all or any part of the property of the Company and of its uncalled capital for the time being.

#### **PROCEEDINGS OF DIRECTORS**

29. The quorum necessary for the transaction of the business of the Directors in the company shall be at least two or one third number whichever is higher, Subject to the provisions of the Companies Act, 2013.
30. Subject to the provisions of the Companies Act, 2013 and except a resolution which the Act specifically requires to be passed in a Board Meeting, a resolution in writing approved by a majority of Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly called, held and constituted.

#### **CHAIRMAN**

31. The Board of Directors may, from time to time, appoint any Director to be the Chairman of the Board, for a fixed term or without any limitation as to the period for which he is to hold such office.
32. The Chairman of the Board of Director shall be subject to the same provisions as to resignation and removal as the other Directors and he shall ipso facto cease to be the Chairman if he ceases to hold the office of the Director for any cause.

#### **MANAGING DIRECTOR**

33. Subject to the provisions of the Companies Act, 2013, the Board may, from time to time, appoint any one or more Directors to be the Managing Director(s) of the Company on such terms and conditions as the Board may think fit and for a fixed term or without any limitation as to the period for which he is to hold such office, and may, from time to time, (subject to the provisions of any contract between him and the Company) remove or dismiss him from office and appoint another in his place.
34. A Managing Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors and shall, ipso facto cease to hold the office, of the Director for any cause.
35. A Managing Director shall, in addition to the remuneration payable to him as a Director of the company as sitting fee receive such remuneration as may be sanctioned by the Board, from time to time, and such remuneration as may be fixed by way of salary or commission or participation in net profit or by any or all these modes.
36. Subject to the provisions of the Companies Act, 2013, the Board of Directors may, from time to time, entrust to and confer upon a Managing Director for the time being such of the powers as are exercisable under these Articles by the Board as it may think fit and may entrust or confer such powers for such periods and to be exercised for such object and purposes, and upon such terms and conditions and with such restrictions as it may think fit. The Board of Directors may, from time to time, revoke, withdraw, alter or vary all or any such powers.

#### **INSPECTION OF ACCOUNTS**

37. (i) The Board of Directors shall cause proper books of accounts to be maintained as per provisions of the Companies Act, 2013.
  - (ii) The Board of Directors shall also, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations account books of the company or any of them, shall be open to the inspection of members not being directors.
  - (iii) No member not being a director shall have any right of inspecting any account book or document of the company except as conferred by the Act and other laws authorised by the Board or by the company in general meetings.

#### **BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

38. Balance Sheet and Profit and Loss Account will be audited once in a year by a qualified auditor appointed for the purpose by the company for correctness as per provisions of the Act.

#### **AUDIT**

39. The first auditors of the company shall be appointed by the Board of Directors within one month of the incorporation of the Company who shall hold the office till the conclusion of first annual general meeting.
40. The Board of Directors may fill up any casual vacancy in the office of the Auditors.
41. The remuneration of the auditors 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 except that remuneration of the first or any Auditors appointed by the Directors may be fixed by the Directors.

#### **THE SEAL**

42. The company shall have a Common seal and the Directors shall provide for the safe custody thereof. The seal shall not be applied to any instrument except by the authority of a resolution of the Board of Directors and in the presence of at least two Directors and such Directors shall sign every instruments to which the seal shall be affixed in his presence provided nevertheless that certificate of shares shall be signed in accordance with the Companies Rules, 2014

#### **SECURITY**

43. Subject to the provisions of the Law of Land and the Act, no member or other person (not being a Director) shall be entitled to require the discovery of any information respecting the Company's business or any matter which is or be in the nature of trade secret or secret process relating to the

conduct of the business of the company and which in the opinion of the Directors will be inexpedient in the interest of the Company to communicate, or examine the properties of the company without the permission of the Directors.

#### **INDEMNITY**

44. Subject to the provisions of the Companies Act, 2013, every officer, or agent for the time being of the company shall be indemnified out of the assets of the company against any bonafide liability incurred by him to defend any bonafide proceeding, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application as per the provisions of the Companies Act, 2013 in which relief is granted to him by the Court.

#### **REMOVAL OF DIRECTOR**

Within the purview of the Section 169 of the Companies Act, 2013, a Director can be removed from the position of the Director in the company on the following grounds with the Passing of ordinary resolution.

45. If any Director, hold Direct selling code or engage in Direct selling Business in any way, whether directly or indirectly, in another Direct selling entity/entities.
46. If any Director involves in any activity to enter into Direct selling Business in any way, whether directly or indirectly, in another Direct selling entity/entities.
47. If the Director:
- a. Create any rumors about the company or its directors/ shareholder or its products, whether directly or indirectly, or,
  - b. Ruin the reputation/Goodwill/Business of the company or its directors/shareholder, whether directly or indirectly, or,
  - c. Provoke against the company or its directors/shareholder or its products to anyone, whether directly or indirectly, or,
  - d. Disseminate any wrong/false information about the company or its directors/ shareholder or its products, whether directly or indirectly,
- within or outside the premises of the company.
48. In above clauses 45 to 47, such Director in Default shall also be liable to pay penalty of Rs. ten crores (Rs. 10,00,00,000) to the company and the company shall have the powers to recover the penalty amounts as arrears of land revenue by attachment and sale of moveable/immovable property of such Director in default.

#### **RIGHT ISSUE**

Within the purview of the Section 62(1) of the Companies Act, 2013, Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered through right issue.

49. a person 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 following conditions, namely:

a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days (will be decreased after consent of 90% member in written) [or such lesser number of days as may be decided by the member of the company] and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;]

b. the offer aforesaid does not 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.

c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;

**Note:**

**1. The Articles of Association of the ASCLEPIUS WELLNESS PRIVATE LIITED has been altered by insertion of new definition (f) in clause 2(i) and new clause of removal of director (Clause No. 45 to 48) and approved by members of company via special resolution in the extra ordinary general meeting held on dated 11-04-2022.**

**2. The Articles of Association of the ASCLEPIUS WELLNESS PRIVATE LIITED has been altered by insertion of new clause of right issue (Clause No. 49) and approved by members of company via special resolution in the extra ordinary general meeting held on dated 15-06-2022.**

ONLY FOR WEBSITE VIEW PURPOSE