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**BOARD OF DIRECTORS**

**MR. SANJIV KHANDELWAL**

*Chairman & Managing Director*

**MR. Y. P. TRIVEDI**

**MR. MOHAN M. JAYAKAR**

**MRS. SHILPA KHANDELWAL**

**REGISTERED OFFICE:**

DOULATRAM MANSION, 4TH FLOOR,  
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**BANKERS:**

CORPORATION BANK

DENA BANK

UNION BANK OF INDIA

STATE BANK OF INDIA

THE BANK OF RAJASTHAN LIMITED

**LEGAL ADVISORS:**

MESSRS. GAGRAT & COMPANY

**AUDITORS:**

MESSRS. MITTAL & ASSOCIATES

CHARTERED ACCOUNTANTS

130, ESPLANADE MANSION

M. G. ROAD, MUMBAI 400 023.

## NOTICE

Notice is hereby given that the **Seventh Annual General Meeting** of the members of **EZ-COMM TRADE TECHNOLOGIES LIMITED** will be held on Monday, the 25th day of September, 2000, at 10 am. at **R. D. Birla Board Room, Indian Merchants' Chamber Building, Churchgate, Mumbai 400020** to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at the 31st March, 2000 and the Profit & Loss Account for the year ended the 31st March, 2000, the Reports of the Directors and the Auditors.
2. To appoint a Director in place of Mr. Mohan M. Jayakar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Messrs. Mittal & Associates, Chartered Accountants, Mumbai, the retiring Auditors, as Auditors of the Company, and to fix their remuneration.

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 372A and other applicable provisions of the Companies Act, 1956, if any, and in supersession of the Ordinary Resolution passed at the Annual General Meeting held on 26th September 1997, and subject to the approval of the Central Government and the Reserve Bank of India and such other designated authorities of the Government of India or otherwise being obtained in that behalf, where necessary, and subject to such terms and conditions/modifications if any as may be prescribed while granting such approvals and which may be agreed to by the Board of Directors of the Company, consent is hereby accorded to the Board of Directors or a Committee thereof for making such loan(s) to any body corporate, giving such guarantee(s) or, providing such securities, in connection with a loan made by any other person to, or to any other person by, any body corporate and acquiring, by way of subscription, purchase, investment or otherwise the securities of different body(ies) corporate, investing in Joint Ventures/Wholly Owned Subsidiaries in India or abroad, of such sums, not exceeding Rupees One Hundred Crores, as are permissible under the relevant RBI Guidelines from time to time, notwithstanding that such investments are in excess of percentages specified in sub-section (1) of Section 372A of the Companies Act, 1956 and the provisions thereto;

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to determine the actual sum to be so lent, guaranteed, provided for as security and / or invested and to determine the actual person(s) or body(ies) corporate to whom such loan, guarantee, security is to be given or where such investment is proposed to be made on such terms and conditions including the quantum, nature, terms and mode of settlement as may be deemed fit by the Board and to execute such necessary documents, deeds, agreements, undertakings, declarations, writings, etc. and to do and perform all such acts, deeds, matters and things as may be deemed necessary, desirable and expedient in their discretion for giving effect to this resolution."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with Sections 198, 309 and Schedule XIII and any other provisions applicable, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of Mr. Sanjiv Khandelwal, as Managing Director for a further period of five years with effect from 1st April, 2000 on the terms and conditions as are set out in the agreement entered into between the Company and Mr. Sanjiv Khandelwal, a copy whereof is placed before this meeting which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as 'the Board') to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification(s) or re-enactment(s) thereof for the time being in force or any amendments and/or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Mr. Sanjiv Khandelwal;

**RESOLVED FURTHER THAT** where in any financial year closing after 31st March, 2000, the Company has no profits or its profits are inadequate, the Company do pay to Mr. Sanjiv Khandelwal, remuneration by way of salary, perquisites and allowances not exceeding the ceiling limit specified under Section II of Part II of Schedule XIII to the Companies Act 1956;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in supersession of Resolution No. 7 passed in the Extraordinary General Meeting held on 24th March 1995, consent of the Company be and is hereby accorded in terms of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company or Committee thereof for borrowing from time to time any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may 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, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rupees One Hundred Crores."

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in supersession of Resolution No. 8 passed in the Extraordinary General Meeting held on 24th March 1995, consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the creation by the Board of Directors of the Company or Committee thereof of such mortgages, charges and hypothecations, on such of the assets of the Company, both present and future, in such a manner as the Board may direct, together with powers to take over the management of the Company in certain events, to any financial institutions/banks, any other investing agencies/Trustees for the

holders of debentures/bonds/other instruments which may be issued to and subscribed by all or any of the financial institutions/banks/any other investing agencies or any other person(s), body(ies) corporate, by private placement or otherwise, to secure rupee/foreign currency loans, debentures, bonds or other instruments of an equivalent aggregate value not exceeding Rupees One Hundred Crores together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on pre-payment, or on redemption, costs, charges, expenses and all other monies payable by the Company to the aforesaid parties or any of them under the Agreements/Arrangements that may be entered into by the Company in respect of the said loans, debentures, bonds or other instruments;

**RESOLVED FURTHER THAT** the Board of Directors of the Company or Committee thereof be and is hereby authorised to finalise with the aforesaid parties or any of them, the documents and other papers and writings for creating the mortgages/charges/hypothecations and accepting or making any alterations, changes, variations to or in the terms and conditions, to do all such acts, deeds, matters and things and to execute all such documents and writings as it may consider necessary, for the purposes of giving effect to this Resolution."

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the Articles of Association of the Company be and are hereby amended, altered and/or substituted in the manner and to the extent as is set out hereunder:

- I. After Article 30, following new Article 30A be inserted:

1. For the purpose of this Article, following are the definitions:

- a) 'Beneficial Owner' means a person whose name is recorded in the Register maintained by a Depository under the Depository Act, 1996.
- b) 'Bye-Laws' means the Depositories Act, 1996, and any statutory modification or re-enactment thereof for the time being in force.
- c) 'Depository' means a company formed and registered under the Companies Act, 1956 ("the Act") and which has been granted a certificate of registration to act as depository under sub-section (1A) of Section 12 of the Securities & Exchange Board of India Act, 1992.
- d) 'Member' means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum of the Company and the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.
- e) 'Record' includes the records maintained in the form of books or stored in a computer or in such other form as may be determined under the regulations made by SEBI.
- f) 'Regulations' means the regulations made by SEBI.
- g) 'Security' means such security as may be specified by SEBI from time to time.

2. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the provisions of the Depositories Act, 1996 or otherwise.
3. **'Option for Investors'**: Every person subscribing to securities offered by the Company shall have the option to receive the 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 law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

4. **'Securities in depository mode to be in fungible form'**: All securities held in the depository mode with a Depository shall be dematerialised and be in a fungible form. To such securities held by a Depository on behalf of a beneficial owner nothing contained in Sections 153, 153A, 153B, 187A, 187B, 187C and 372A of the Act shall apply.
5. **'Right of Depositories and Beneficial Owners'**:
  - a) Notwithstanding anything to the contrary contained in the Act, or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
  - b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have other membership rights in respect of the securities held by it.
  - c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the register maintained by a Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall alone be entitled to all the rights and benefits and be subject to all the liabilities in respect of securities held in the depository mode of which he is the beneficial owner.
6. **'Service of Documents'**: Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository mode, the records of the beneficial owner may be served by a Depository on the Company by means of electronic mode or by delivery of floppies or disks.
7. **'Transfer of securities'**: Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered in the Register maintained under the Depositories Act, 1996 by a Depository as beneficial owners.
8. **'Distinctive numbers of securities held in the depository mode'**: 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 in the depository mode.

9. **'Register and index of beneficial owners'**: The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be Register and Index of members and holders of securities for the purpose of these Articles and the Act.
10. **'Option to opt out in respect of any security'**: If a beneficial owner seeks to opt out of a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the intimation as above, make appropriate entries in its record and shall inform the Company accordingly.

The Company shall within 30 days of the receipt of intimation from the Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

11. **'Intimation to Depository'**: Notwithstanding anything contained in the Act or these Articles, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities thereof to the Depository immediately on allotment of such securities.
12. **'Stamp duty on securities held in dematerialised form'**: No stamp duty would be payable on shares held in dematerialised form in any medium as may be permitted by law including any form of electronic medium.
13. **'Applicability of the Depositories Act'**: In case of transfer of shares, where the Company has not issued any certificate and where such shares are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

- II. After Article 4 the following new Article be added as Article 4A as under:

#### **SHARES WITH NON-VOTING RIGHTS:**

The Directors may issue shares with non-voting rights attached to them upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by the law.

- III. After Article 4 the following new Article be added as Article 4B as under:

#### **SWEAT EQUITY SHARES:**

The Company shall have the power, subject to and in accordance with the provisions of Section 79A of the Act and other relevant regulations including regulations laid down by SEBI in this regard from time to time, to issue sweat equity shares to employees and/or directors on such terms and conditions and in such manner as may be prescribed by law from time to time.

- IV. After Article 12 (a) the following new Article be added as Article 12 (b) as under:

#### **BUYBACK OF SHARES:**

The Company shall have power, subject to and in accordance with the provisions of Sections 77A, 77AA and 77B of the Act and other relevant regulations including regulations laid down by SEBI in this regard from time to time, to purchase any of its own shares, or such other specified securities as may be notified by the Central Government from time to time on such terms and conditions and in such manner as may be prescribed by law from time to time.



- V. The existing Article 22 be deleted and in place thereof, the following Article be substituted:

**ACCEPTANCE OF SHARES:**

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is entered on the Register of Members or who is entered as beneficial owner of the shares in the records of the depository shall for the purposes of these Articles be a Member.

- VI. The following words (in bold) be added to the existing Article 27 at the end:

**CERTIFICATE OF SHARES:**

".... for the time being and from time to time **provided, however no share certificate(s) shall be issued for shares held in a Depository.**"

- VII. After Article 69 the following new Article be added as Article 69A as under:

**NOMINATION OF SHARES AND/OR DEBENTURES:**

- 1) Every holder of shares in or debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or debentures of the Company shall vest on the event of his death.
- 2) Where the shares or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the manner prescribed under the Act, a person to whom all rights in the shares or debentures of the Company shall vest in the event of death of all joint holders.
- 3) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the shares or debentures where a nomination made in the manner prescribed under the Act, purports to confer on any person the right to vest the shares or debentures of the Company, the nominee shall on the death of the shareholder or the debentureholder concerned, or on the death of the joint holders become entitled to all the rights in the shares or debentures of the Company of such shareholder or holder of debentures or, as the case may be, of all the joint holders, in relation to such shares in, or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed under the Act.
- 4) Where the nominee is a minor, the holder of the shares or debentures concerned, can make the nomination to appoint in the prescribed manner under the Act, any person to become entitled to the shares or debentures concerned in the event of his/her death during the minority.

- VIII. After Article 70 the following new Article be added as Article 70A as under:

**TRANSMISSION IN CASE OF NOMINATION**

- 1) Notwithstanding anything contained in these Articles, any person who has become a nominee under the provisions of section 109A, and to whom the shares in or debentures of the Company have vested on the death of the shareholder or holder of the debentures of the Company, or as the case may be, on the death of the joint holders, upon the production of such evidence as may be required by the Board, and subject as hereinafter provided, may elect either -



- a) to be registered himself as holder of the share or debenture as the case may be, or
  - b) to make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debenture holder, as the case may be, could have made.
- 2) If the person being a nominee, so becoming entitled, elects to be registered as holder of the share or debenture himself, as the case may be, he shall deliver or send to the Company a notice in writing duly signed by him that the nominee concerned so elects and such notice shall be accompanied with the death certificate of the deceased shareholder/debentureholder as the case may be.
  - 3) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were signed by that shareholder or debentureholder, as the case may be.
  - 4) A person being a nominee, becoming entitled to share or debenture by reason of the death 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 or debenture except that he shall not, before being registered as member in respect of his share or debenture, 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 to be registered himself or to transfer the share or debenture, and if, the notice is not complied with within ninety days, the Board may thereafter withhold all payments of all dividends, bonuses or other moneys payable in respect of the share or debenture, until the requirements of the notice have been complied with.

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By order of the Board of Directors

Mumbai  
29 July, 2000

**SANJIV KHANDELWAL**  
Managing Director

#### NOTES:

- 1) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of resolutions under Item nos. 4 to 8 of the accompanying notice is annexed herewith.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- 3) Proxy in order to be effective must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.