

**ARTICLES OF ASSOCIATION  
OF  
CYBELE INDUSTRIES LTD.,\***

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**CONSTITUTION OF THE COMPANY**

**Constitution**

1. The regulations contained in Table A in the First Schedule to the Companies Act, 1956, shall not apply to this Company, but the regulations for the management of the company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition of or addition to its regulations by Special Resolutions as prescribed by the Companies Act, 1956 be such as are contained in these Articles.

**Interpretation**

2. In these presents the following words and expressions shall have the following meanings unless excluded by the subject or context :-

**“The Act” or “Companies Act”**

- (a) “The Act” or “The Companies Act” shall mean “the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force”.

**“The Board” or “The Board of Directors”**

- (a) “The Board” or “The Board of Directors” means the Board of Directors of Company, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a resolution by circulation in accordance with these Articles.

**“Beneficial Owner”**

- (c) “Beneficial Owner” shall mean beneficial owner as defined in clause(a) of sub- section (1) of Section 2 of the Depositories Act, 1996.

**“The Company” or “This Company”**

- (b) “The Company” or “This Company” means “Directors”.

\* Amended at the EGM held on 09.12.2006

**“Depositories Act, 1996”**

(e) “Depositories Act, 1996” shall include any statutory modification or re-enactment thereof .

**“Depository”**

(f) “Depository” shall mean a Depository as defined in Clause (e) of sub-section (1) of the Depositories Act, 1996.

**“In writing”**

(g) “In writing” includes printing, Lithography, typewriting and any other usual for writing.

**“Members”**

(h) “Members” means Members of the Company holding a share or shares of any clause, the duly registered holder from time to time of the shares of the Company and includes the beneficial owner as defined in Depositories Act, 1996.

**“Month”**

(i) “Month” means a Calendar month.

**“Paid-up”**

(j) “Paid - up” shall include “credited as paid - up”.

**“Persons”**

(b) “Persons” shall include any Corporation or Company as well as individuals.

**“Registered Owner”**

(l) “Registered Owner “ means a Depository whose name is entered as such in the records of the Company.

**“SEBI”**

(m) “SEBI” means Securities and Exchange Board of India.

**“Section”**

(lllll) “Section” of “Sections” means Section of the Act

**“Security”**

(o) “Security” means such security as may be specified by the Securities and Exchange Board of India from time to time.

**“Special Resolution”**

(b) “Special Resolution” shall have the meaning assigned thereto by Section 189 of the Act.

**“The Seal”**

(q) “The Seal” means the Common Seal for the time being of the Company.

**“These Presents” or “These Regulations” or “These Articles”**

(r) “These Presents” or “These Regulations” or “These Articles” shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so required.

**“The Register”**

(s) “The Register” means the Register of Members to be kept as required by Section 150 of the Act.

**“Words”**

(t) “Words” importing the masculine gender include the feminine gender and vice versa.

(u) Except where the context otherwise requires, words importing the singular shall include the plural and vice versa.

**CAPITAL**

**Share Capital**

As amended as per the BIFR order dated 12.01.2009.

1. The share capital of the Company is Rs. 11,21,55,000/- (Rupees Eleven Crores Twenty One lakhs and fifty five thousands only) divided into 1,12,15,500 Equity shares of Rs.10/- (Rupees Ten only) each.
3. Prohibition of Investments of funds in Company’s own shares. Except as provided by Section 77 of the Act, no part of the funds of the Company shall be employed in the purchase of shares of the Company and the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscriptions made or to be made by any person of or for any shares in the Company.

### **Allotment of Shares**

5. The Board shall duly comply with Section 75 of the Act with regard to all allotment of shares from time to time.

### **Further issue of Shares**

6. (1) Where at the time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares whether out of the unissued capital or out of the increased share capital then :

- (p) Such further shares shall be offered to the persons who at the time of the offer, are holders of equity shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.
  - (q) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined.
  - (r) The offer as aforesaid shall be deemed to include a right exercisable by the persons concerned to renounce the shares offered to them in favor of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favor any member may renounce the shares offered to him.
  - (s) After expiry of the time specified in the aforesaid notice 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 off them in such manner and to such person(s) as they may think, in their sole discretion, fit.
- (2) Notwithstanding anything contained in sub clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub clause (1) hereof) in any manner whatsoever.
- (ccc) If a special resolution to that effect is passed by the Company in General Meeting, or
- (ddd) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be ) in favor of the proposal contained in the resolution moved in the General Meeting (including casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application +made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.
- (3) Nothing in sub clause (c) of (1) hereof shall be deemed ;
- (fff) To extend the time within which the offer should be accepted ; or

(ggg) To authorize any person to exercise the right of renunciation for second time on the ground that the person in whose favor the renunciation was first made has declined to take the shares comprised in the renunciation.

(4) Nothing in this Article shall apply to the increase of subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loan raised by the Company :

(ii) To convert such debentures or loans into shares in the Company; or

(iii) To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that Government in that behalf ; and

(b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

### **Shares at the disposal of the Directors**

7. Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being 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 or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit.

2. The Board may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted maybe issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General meeting.

### **Variation of rights**

3. The rights attached to each class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 106 and 107 of the Act be varied with the consent in writing of the holders not less than 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 issued shares of that class. To every such separate meeting, the provisions of these Articles relating to General Meeting

shall apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class

10. Issue of further shares pari passu shall not affect the rights of shares already issued.

11. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided for by terms of issue of shares of that class, be deemed to be varied by the certain number of further shares, ranking pari passu therewith.

**No issue with disproportionate rights**

12. The Company shall not issue any shares, (not being preference shares), which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attaching to the holders of the shares (not being preference shares).

**Power to pay commission**

13. The Company may at any time pay commission to any person for subscribing or agreeing the subscribe (whether absolutely or conditionally) for any shares, debentures, debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture stock of the Company. The statutory conditions and requirements shall be observed and complied with and the rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed two and half percent of the price at which the debentures are issued. The commission may be satisfied by payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

**Trust not recognized**

14. Save as otherwise provided by these Articles the Company shall be entitled to treat the registered holder of any shares or debentures as the absolute owner thereof and accordingly the Company shall not except as ordered by a court of competent jurisdiction or by the statute required, be bound to recognize any equitable, contingent, future or partial interest, lien, pledge, or charge in any shares or debentures or (except only as by these presents otherwise provided for ) any other right in respect of any shares or debentures except an absolute right to the entirety thereof in the registered holder.

**Issue of shares other than for cash**

15. The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied, or for services rendered or to be rendered to the Company in or about the acquisition and /or conduct of its business and any shares may be allotted as fully paid-up shares and if so issued, shall be deemed to be fully paid-up shares.

**Acceptance of shares**

16. An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of the shares within the meaning of these Articles, and

every person who thus or otherwise accept any shares and whose is on the Register shall for the purpose of these Articles be a member.

## **SHARE AND DEBENTURE CERTIFICATE**

### **Limitation of time for issue of certificates**

17. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the numbers and distinctive numbers of shares in respect of which it is issued and the amount paid up therein and shall be in such form as the Directors may prescribe or approve, provided that in respect a 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 of shares to one of several joint holders shall be sufficient delivery to all such holder.

### **Dematerialization of Securities**

The Company shall be entitled to dematerialize its existing shares, debentures and other securities, rematerialize its shares, debentures and other securities held in the Depository and/or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

### **Options for Investors**

Every person subscribing to securities offered by the Company, and every member or debenture holder shall have the option to either hold the securities in the form of security certificate or to hold the securities in the form of security certificate or to hold the securities with a Depository when permitted. Where any holder of securities surrenders his certificate of securities held in the Company in accordance with Section 6 of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, the Company shall cancel the certificate and substitute in its records the name of the relevant Depository and inform the Depository accordingly. The Company shall maintain a record of certificates of securities that have been so dematerialized and destroyed. Such persons who hold their securities with a Depository can at any time opt out of the Depository, if permitted by law, and the Company shall in such manner and within such time as prescribed by law, issue to such persons the requisite 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 the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the beneficial owner of the security.

### **Securities in Depositories to be in fungible form**

All securities held by a Depository shall be dematerialized and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C, and 372A of the Act shall apply to a Depository in respect of these securities held by it on behalf of the beneficial owners.

### **Rights of Depositories and Beneficial Owners**

Notwithstanding anything to the contrary contained in the Act or this Article, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owners.

Save as otherwise provided 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.

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.

### **Certificate to be under seal**

18. Every certificate shall be under the seal of the Company and shall specify the shares or debentures to which it relates and the amount paid-up thereon.

19. In respect of any shares or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of the joint holders shall be sufficient delivery to all such holders, subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificate in accordance with Article 17 above.

### **Endorsement of transfer**

20. In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may at their discretion, direct an endorsement of the transfer and the name of the transferee and other particulars, on the existing share certificate and authorize any Director or officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate in lieu of and in cancellation of the existing certificates, in the name of the transferee, where there is no further space on the back thereof for making endorsement of transfer.

### **Issue of new certificate in place of one defaced, lost or destroyed**

21. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed, then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu, thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall



prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit, or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulations or requirements of any Stock Exchange or the Rules made under the Act or the Rules made under Securities Contracts(Regulation) Act,1956 or any other Act, or Rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

### **Splitting and consolidating of share certificate**

22. Any registered holder of the shares being in possession of any share certificate or share certificates for the time being, may surrender such certificate or certificates to the Company apply to the Company for the issue of two or more fresh share certificates comprising the same shares bearing the same distinctive number as were comprised in the said certificates and in such separate lots as he may desire, in lieu of and in cancellation of such share certificate so surrendered or for the consolidation of the shares comprised in such surrendered certificates into one certificate and the Directors may, in lieu and in cancellation of certificates so surrendered, issue one or more such certificates, as the case may be in the name of the person or persons in whose name the original certificates stood and the new certificates so issued shall be delivered to the person who surrendered the original certificate or to his order.

No fee shall be charged for sub-division or consolidation of share certificate into market lots and where share certificates are issued for either more or less than market lots, sub-division and /or consolidation should be done free of charge.

### **Issue of certificates**

23. Every certificate of title to the share or shares shall be issued only in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960, or any amendment thereof or any provision of law applicable thereto for the time being in force.

## **CALLS ON SHARES**

### **Calls**

24. Subject to the provisions of Section 91 of the Act, the Board may, from time to time, make such calls as they think fit upon the member in respect of all money unpaid on the shares held by them respectively whether on account of the nominal value of the shares or by way of premium and not the conditions of allotment thereof made payable at fixed times, and the members shall pay the amount of every call so made on them to the person and at the time and place appointed by the Board.

### **Length of Notice of Call**

25. Not less than thirty days of notice of any call shall be given specifying the time and place of payment and the person to whom such payment shall be made provided that before the time for payment of such call the Board may, by notice in writing to the members, extend the time for payment thereof.

### **Sums payable in fixed installments to be deemed calls**

26. If by the terms of issue of share or otherwise any amount is made payable at any fixed time or by installments at fixed times whether on account of the nominal value of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Board, of which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.

### **When installment on calls payable**

27. If a sum called in respect of the shares is not paid on or before the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum of such rate of interest as the Board may decide from the day appointed for the payment thereof to the time of the actual payment, but the Board shall be at the liberty to waive payment of that interest wholly or in part.

### **Interest on sums payable at fixed time**

28. The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of shares, becomes payable at fixed time, whether on account of the nominal amount of the share or by way of premium, as if the same had become payable by virtue of a call made and notified.

### **Payment in anticipation of call may carry interest**

29. The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

### **Partial payment not to preclude forfeiture**

30. Neither a judgement nor a decree in favor of the Company for call or other moneys due in respect of any share nor any part payment or satisfaction thereunder nor the receipt by Company of a portion of any money which shall from time to time be due from any member in respect of any share either by way of principal or interest, to any indulgence granted by the Company in respect of the payment of any such

money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such share as hereinafter provided.

### **Persons by whom installments are payable**

31.If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representatives, if any.

### **Liability of joint holders of shares**

32. The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls, interest and expenses, if any due in respect of such share or shares.

### **Company's lien on shares/debentures**

33. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article shall have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

### **Enforcing of lien by sale**

34. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they think fit, but no sale shall be made 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 or is presently payable has been given to the registered holder of the shares for the time being or to the person entitled to the shares by reason of death or insolvency of the registered holder.

### **Authority to transfer**

35. To give effect to such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. 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 relating to the sale.

### **Application of proceeds of sale**

36. The net proceeds of any such sale shall be applied towards satisfaction of the said moneys to him or the person if any entitled by transmission to the shares on the date of the sale.

## **FORFEITURE OF SHARES**

### **If call or installment not paid, notice may be given**

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

### **Form of Notice**

38. The notice aforesaid shall name a further day (not earlier than the expiration 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 shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

39. If requirements of any such notice as aforementioned are not complied with, any shares in respect to 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. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

### **Surrender of shares**

40. The Board may accept in the name for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other shares.

### **Board's rights to disposal of forfeited shares or cancellation of forfeiture**

41. A forfeited or surrendered shares may be sold or otherwise disposed of on such terms and in such manner as the Board may think fit and at any time before such sale or disposal, the forfeiture or surrender may be cancelled on such terms as the Board may think fit.

### **Liability after forfeiture**

42. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture remain liable to pay and shall forthwith 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, whether such claim be barred by limitation on the date of the forfeiture or not but this liability shall cease if and when the Company receives payment in full of such monies in respect of the shares.

### **Declaration of forfeiture**

43. A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been fully 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 shares, and that declaration and the receipt of the Company for the consideration, if any, given for the share on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the shares and 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.

### **Non-payment of sums payable at fixed times**

44. 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 share, becomes payable at fixed times whether on account of the nominal amount of the shares or by way of premium or otherwise, as if the same had been payable virtue of a call duly made and notified.

### **Transfer of shares**

45. 1. The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

2. The instrument of transfer of any shares in the Company shall be executed both by the transferee and the transferor and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register in respect thereof. The instrument of transfer shall be in respect of only one class of shares.

3. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate of shares to which it relates and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

4. An application for the registration of the transfer of any shares may made either by the transferor or transferee, provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register, the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

5. For the purpose of clause(4), notice to the transferee shall be deemed to have duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered in the time at which it would have been delivered in the ordinary course of post.

6. Nothing in clause (3) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.

7. Nothing in these Articles shall prejudice the power of the Board to refuse to register the transfer of any shares to a transferee, whether a member or not.

45A (1) Service of documents : Notwithstanding anything in the Act or this Article to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(2) Transfer of securities: Nothing contained in Section 108 of the Act 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.

(3) Register and Index of Beneficial Owners: For the purpose of this Article, the Register and Index of Members and Debenture holders shall be deemed to include the Register and Index of Beneficial Owners maintained under the Depositories Act, 1996 by every Depository in respect of securities issued by the Company.

45B. Nomination: Notwithstanding anything contained in any other clause or clauses of the Articles of Association of the Company, a holder or joint holders of shares or debentures, may nominate, in accordance of the provisions of Section 109A of the Companies Act, 1956 and in the manner prescribed thereunder, a person to whom all the rights in the shares or debentures of the Company, shall vest in the event of death of such holder(s). Any nomination so made shall be dealt with by the Company in accordance with the provisions of the Companies Act, 1956.

### **Transfer to infants, insolvent and persons of unsound mind**

116. No share shall in any circumstances be transferred to an infant, insolvent or person of unsound mind.

### **Directors may refuse to register transfer:**

47. Subject to the provisions of Section 111 of the Companies Act, 1956 and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused 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 except when the Company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.

### **Endorsement of transfer and issue of certificate**

48. 1. Every endorsement upon the certificate of any shares in favor of any transferee shall be signed by Secretary or some other person for the time being duly authorized by the Board in that behalf. In case any transferee of a share applying for a new certificate in lieu of the old or existing certificates, he shall be entitled to receive a new certificate on payment of a sum of Rupee one for every such certificate of shares to which the said transfer relates and upon delivering up the cancelled old, or existing certificate which is to be replaced by a new one. Provided that no fee shall be charged for issuing new certificates in

replacement of those, which are decrepit or worn out certificates or where cages on the reverse for recording transfers have, been fully utilized.

2. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of Administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

49. The particulars of every transfer or transmission of any shares and all other particulars of shares shall be entered in the Register of Members as required by the Act.

### **Custody of Transfer Deeds**

50. The instrument of transfer shall, after registration, remain in the custody of the company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of twelve years or more.

### **Closure of Register of Members and Register of Debenture holders**

51. The Board may after giving not less than seven day's previous notice by advertisement in some newspaper circulating in the District in which the Registered Office of the Company is situated, close the Register of Members and Register of Debenture holders for any period or periods not exceeding in the aggregate forty five days in each year but not exceeding thirty days at any one time.

### **Transmission of shares**

52. 1. The executors or administrators of a deceased member (not being one or several joint holders) or the holder of a succession certificate empowered thereby to receive dividends on and to negotiate any shares belonging to a deceased member, shall be the only persons recognized by the Company, as having any title to the shares registered in the name of such member. Provided that, should the member be a member of joint Hindu family, the Board on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family may recognize the survivors or the Karta thereof as having title to the shares registered in the name of such member, provided further that in any case it shall be lawful for the Board in their absolute discretion to dispense with the production of probate or letters of administration or other legal representation upon such terms as to indemnity or otherwise, as to the Board may seem just.

2. On the death of one or more of joint holders of any shares, the survivors/ survivor alone shall be the only persons recognized by the Company as having any title to or interest in such shares. In the event of death of any sole holder or of the last surviving holder, the executors or administrators of such or other persons legally entitled to the shares shall be entitled to be recognized by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognized as having title to the shares as heir or legal representative of the deceased shareholder.

Provided further that if the deceased shareholder was a member of a joint Hindu family, the Board on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognize the survivors of the Karta thereof as having title to the shares registered in the name of such member.

Provided also that in any case it shall be lawful for the Board in their absolute discretion to dispense with the production of probate or letter of administration or other legal administration, upon such evidence and such terms as to indemnity or otherwise as to the Board may seem just.

3. Nothing in clause(1) shall release the estate of a deceased joint holder from any liability in respect any shares, which were jointly held on by him with other persons.

### **Rights and liabilities of legal representatives**

53. 1. 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 be required by the Board and subject as hereinafter provided, elect either:
  - (a) To be registered himself as holder of the share.
  - (b) To make such transfer of the share as deceased or insolvent member could have made.
2. The Board shall, in either case, have the same right to decline or to suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

### **Notice of election by legal representatives**

54. 1. 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.
- 2.. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
4. All the limitations, restrictions and provisions of the regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notices 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.
5. A Person becoming entitled to share by reason of the death or insolvency of the holder shall be entitled to the same dividend 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 to 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 within ninety days, the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share, until the requirements of the notice have been complied with.



### **Company's right to register transfer by apparent legal owner**

1. The company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title or interest or in the shares and the company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do; but the company shall nevertheless be at liberty to have regard and attend to any such notice and give effect thereto, if the Board shall think fit.

## **REGISTER OF MEMBERS**

### **Register of Members and Debenture Holders**

2. The company shall keep at its registered office in one or more books a register of its members and debenture holders commencing from the date of the registration of the company and an index of members and debenture holders and enter therein the particulars prescribed in Section 150, 151 and 152 of the Act and the companies (issue of Share Certificate Rules) 1969 or any modification thereof for the time being in force.

### **Inspection of Registers**

3. The Register of Members and the Index of Members, Index of Debenture holders and copies of annual returns prepared under Section 159 of the Act shall be open to the inspection of any other persons on payment of one Rupee for each inspection and copies of extracts from such register may be furnished in accordance with provisions of Section 163 of the Act.

## **SET – OF MONEYS DUE TO SHAREHOLDERS**

### **Set off Money due to Shareholders**

1. Any money due from the company to a shareholder may, without the consent of such shareholder, be applied by the company in or towards payment of any money due from him, either alone or jointly with any other persons to the company in respect of calls.

## **CONVERSION OF SHARES INTO STOCK**

### **Conversion of Shares**

2. The Company may by ordinary resolution convert all or any fully paid up shares of any denomination into stock and vice versa.

### **Transfer of stock**

3. 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 shall not exceed the nominal amount of the shares from which the stock arose.

### **Rights of stockholders**

4. 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 meeting 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.

### **Applicability of Regulations to stock and stockholders**

5. Such of the regulation contained in these presents (other than those relating to share warrants) as are applicable to fully paid up shares shall apply to stock and the words "Share" and "Shareholders" in the these presents shall include "Stock" and "stockholders" respectively.

## **SHARE WARRANTS**

### **Issue of share warrants**

63. 1. The Company may issue share warrants subject to and in accordance with the provisions of Section 114 and 115 of the Act and accordingly, the Board may in their 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, as the Board may, from time to time require as to the identity of the person signing the application, and on receiving the Certificates if any, of the share, and the amount of the stamp duty required for the warrant and may provide by coupons or otherwise for the payments of the future dividends on the shares specified in the share warrant.
116. A share warrant shall entitle the bearer thereof to the shares included in it and the shares shall be transferred by the delivery of the share warrant and the provisions of the Articles of the Company with respect to transmission of shares shall not apply thereto.
117. The bearer of a share warrant shall, on surrender of the warrant to the company for cancellation and on payment of such fee as the Board may from time-to time prescribe, be entitled to have his name entered as a member in the Register of Members in respect of the shares included in the warrant.

### **Requisition of meeting by Bearer of share warrants**

- 64 1. The bearer of a share warrant may any time deposit the warrant at the Registered 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 clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the Shares included in the deposited warrant.

2. Not more than one person shall be recognized as depositor of the share warrant.
3. The Company shall on two day's written notice return the deposited share warrant to the depositor.

#### **Disabilities of holder**

- 65
1. Subject as herein otherwise expressly provided no person shall as bearer of a share warrant sign requisition for calling a meeting 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.
  1. The bearer of a share warrant shall be entitled in all other respect to the same privileges and advantages as if he were named in the Register as the holder of the shares included in the warrant and shall be a member of the company.

#### **Renewal**

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

### **ALTERATION OF CAPITAL**

#### **Alternation of capital**

- 67.
1. The Company in General Meeting may from time to time by ordinary Resolution alter the condition of its Memorandum of Association as follows that is it may :-
    - (a) increase its share capital by such amount as it thinks expedient by creating new share.
    - (b) consolidate and divide all or any or its share capital into shares of larger amount than its existing shares.
    - (c) convert all or any of its fully paid up share into stock and reconvert that stock into fully paid up shares of any denomination.
    - (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount if any, unpaid on each reduced shares shall be the same as it was in the case of the share from which the reduced share in derived.

- (e) cancel any shares which, at the date of the passing of the resolution in that, behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
2. The resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.

### **Application of provisions to new shares**

68. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the share in the original share capital.
69. The company, may by special resolution reduce in any manner and with, and subject to any incident authorized and consent required by law:
- (a) its share capital
  - (b) any capital Redemption Reserve Account, or
  - (c) any share Premium Account.

## **GENERAL MEETINGS**

### **Statutory Meeting**

70. The Statutory Meeting of the company shall be held at such place and time (not less than one month, nor more than six months from the date of which the company is entitled to commence business) as the Directors may determine, and in connection therewith then Directors shall comply with the provisions of Section 165 of the Act.

### **Annual General Meetings**

71. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its annual general meeting at intervals and in accordance with the provisions specified below :-
- (b) The first annual general meeting of the Company shall be held within eighteen months of its incorporation.
  - (c) The next annual general meeting of the company shall be held within six months after the expiry of the financial year in which the first annual general meeting was held and thereafter the annual general meeting shall be held by the company within six months after the expiry of each financial year, however subject to the power of the Registrar companies to extend the time within which such a meeting can be held for a period not exceeding

three months, and subject thereto not more than fifteen months shall elapse from the date of one annual general meeting and that of the next.

- (d) Every annual meeting shall be called for, at a time during business hours on a day that is not a public holiday under the Negotiable Instruments Act and shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the company is situated.
- (e) Notice calling such meeting shall specify them as annual general meetings.
- (f) All other meetings shall be referred to a Extraordinary General Meetings.

72. The Board may whenever they think fit convene an extra-ordinary General Meeting at such time and at such place as they deem fit. Subject to the directions if an given by the Board, the Secretary may convene Extraordinary General meeting.

### **Extraordinary General Meeting by Requisition**

116. 1. The Board shall on the requisition of such number of such number of members of the Company as is specified below proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meeting on requisition.
1. The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the company by registered post addressed to the Company at its Registered Office.
  2. The requisition may consist of several documents in like form each signed by one or more requisitionists.
  3. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit or dispatch to the registered Office of the requisition not less than 1/10 of such of the paid up capital of a company as at that date carries the right to voting in regard to the matters set out in the requisition.
  4. If the Board does not within 21 days from the date of deposit of the requisition with regards to any matters proceed duly to call a meeting for the consideration of those matter, on a day not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists, as representing either a majority in value of the paid up share capital held by all of them or not less than 1/10 of such paid-up capital of the company as is referred to in clause (4) above whichever is less.

### **Length of notice for calling meeting**

74. A general meeting of the Company may be called by giving not less than 21 days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded in the case of Annual General Meeting by all the Members entitled to vote thereat and in the case of any other meeting, by members of the company holding not less than 95% of that part of the paid up share capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any members of the company are entitled to vote only on some resolution or resolution to be moved at a meeting and not on the others, those members shall be taken into account for purpose of this Article in respect of the former resolution or resolutions and not in respect of the latter.

### **Accidental omission to give notice not to invalidate meeting**

75. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of, or resolution passed at, such meeting.

### **Special business**

76. (a) All business shall be deemed special that is transacted at an Extraordinary General Meeting and also that is transacted at an Annual General Meeting with the exception of business relating to
- (tt) The consideration of the Accounts, Balance Sheet, Reports of the Directors and Auditors.
  - (ii) The declaration of a Dividend,
  - (iii) The appointment of Directors in the place of those retiring and
  - (iv) The appointment and fixing of the remuneration of the auditors.
- (b) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such items of business, including in particular the nature of the concern or interest if any, therein of every Director of the company. Where any item of business consists of the according of approval to any documents by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Provided that where any item of special business as aforesaid to be transacted at the meeting of the company, relates to or affects any other company, the extent of share holding interest in that other company of every Director of the company, shall also be set out in the statement if the extent of such shareholding interest is not less than 20% of the paid up share capital of that other company.

## PROCEEDINGS AT GENERAL MEETINGS

### Quorum

77. Every members personally present shall be a quorum for a general meeting and no business shall be transacted at any general meeting unless the requisite quorum is present at the time when the meeting proceeds to business.
78. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved, in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meting the members present shall be q quorum.

### Chairman of General Meeting

79. 1. The Chairman of the Board of Directors, shall preside as Chairman at every general meeting of the company.
2. If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the members present shall choose another Director as Chairman of the meeting, and if no Directions be present of if all Directors decline to take the chair, then the members present shall choose some one of their member to the chairman of the meeting.

### Adjournment of the meeting

80. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### Questions at General Meeting how decided

116. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is, before or on the declaration of the result of the show of hands, demanded in accordance a declaration by the Chairman that a resolution has, on a show of hand, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favor of or against that resolution.

**Casting vote**

82. In the case of an equality of votes, the Chairman shall both on a show of hands and on a poll, have casting vote in addition to the vote or votes to which he may be entitled as a member.

**Taking of poll**

83. If a poll is duly demanded in accordance with the provisions of Section 179 of the Act, it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be decisions of the meetings on the resolution or which the poll was taken.

**It what poll taken without adjournment**

84. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than 48 hours from the time when demand was made; as the Chairman may direct.

**No member entitled to vote while call due to the Company**

85. No member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any share registered in his name on which any call or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.
86. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being forming part of the capital of the company, every member, not disqualified by the last preceding Article, shall be entitled to be present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up Equity Share Capital of the Company provided however, if any preference Shareholder be present at any meeting of company, save as provided in clause (b) of sub-section (2) of Section 87 of the Act, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to the preference shares.

**Validity of Votes**

87. 1. 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.
116. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.



### **Business may proceed notwithstanding demand for poll**

88. A demand for a poll shall not prevent the continuance of the meeting for the transaction of any other business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or the person who made the demand.

### **Vote by Joint holders**

89. If there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled hereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or these Articles be deemed joint holders thereof.

### **Vote on behalf of member of unsound mind or minor**

90. A member of unsound mind, in respect of whom an order had been made by any Court having jurisdiction in lunacy, or minor 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.

### **Proxies permitted on polls**

91. On a poll, votes may be given either personally or by proxy.
92. 1. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing, or if the appointer is a Corporation either under the common seal or under the hand of an officer or attorney so authorized. Any person may act as proxy whether he is a member or not.
2. A corporate body (whether a company within the meaning of the Act or not) may, if it is a member or a creditor or a debenture holder of the company, by the resolutions of its Board of Directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the company or at any creditors of the company held in pursuance of the Companies Act or any Rules made thereunder or in pursuance of provisions contained in any Debentures or Trust Deed as the case may be. The person so authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as that body could exercise if it were an individual member, creditor or holder of debenture of the company.
3. So long as an authorization under clause (2) above is in force the power to appoint proxy shall be exercised only by the person so appointed as representative.

**Proxy to be deposited at the office**

93. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of 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 valued.

**Validity of vote by proxy**

94. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death of the appointer or the revocation of the proxy, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the company before the commencement of the meeting or adjourned meeting at which the proxy issued.

**Form of proxy**

95. The instrument appointing proxy shall be in one of the forms prescribed in Schedule IX of the Act or otherwise prescribed by the Act from time to time.

**Time for objections to votes**

96. No objection shall be made to the validity of any vote, except at the meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting or a poll be deemed valid for all purposes of such meeting or poll whatsoever.

**Chairman of any Meeting to be the Judge of validity of any vote**

1. The Chairman of any meeting shall be the sole judge 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.

**Minutes**

98. 1. The Company shall comply with the requirement of Section 193 of the Act, in respect of keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.

**Passing of resolution by postal ballot\***

- 98A: Notwithstanding anything contained in the Association of the Company, the Company do adopt the mode of passing a resolution by the Members of the Company means of a postal ballot and/or other ways as may be prescribed by the Central Government in this behalf instead of transacting such business in general meeting of the Company in respect of the following matters:

14. Any business that can be transacted by the Company in general meeting; and
15. Particularly, resolutions relating to such business as the Central Government may be notification, declare to be conducted only by postal ballot.

The Company shall comply with the procedure for such postal ballot and/or other ways prescribed by the Central Government in this regard.

### **Number of Directors**

99. Until otherwise determined by a General Meeting and subject to Section 252 of the Act, the number C1 Directors shall not be less than three and not more than nine.

### **Present Directors**

100. The first Directors of the Company shall be :-

- 1. P.A. JOYKUTTY**
- 2. Mrs. ANNAMMA JOY**
- 3. THOMAS P. JOY**

The directors are not required to take any qualification shares.

101. Subject to the provisions of Section 198 and 309 of the Act, A Director who is in the wholetime employment of the Company may be remunerated either by way of monthly payment or at a specified percentage of the net profits of the company or partly by this way and partly other.
102. The fee payable to Director (including Managing / wholetime Director) if any for attending a meeting of the Board if committee.

Special remuneration of Directors performing extra services and reimbursement of expenses.

73. If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a Member or any committee formed by the Directors) the Board may arrange with such Director for such special remuneration for extra services or special exertions or efforts either by a fixed sum or otherwise as may be determine by the Board with the sanction of the company in General Meeting and with the consent, if an required of the Central Government and such remuneration may be either in addition to or in substitution for this remuneration above provided.
74. The Board may allow and pay to any Director who is not a bonafideresident of the place where the meeting of the Board is held and who shall come to such place for the purpose of attending a meeting such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified, and if any Director be called upon to go and reside out of the ordinary place of his residence on the company's business, he shall be entitled to be paid

and reimbursed and traveling or other expenses incurred in connection with the business of the company.

### **Additional Director**

103. The Directors shall have power at any time and from time appoint any other person as a Director as an addition to the Board but so that the total number of Directors shall not any time exceed the maximum number fixed. Any Directors so appointed shall hold office only until the conclusion of the next following Annual General Meeting of the Company and shall be eligible for reelection at such meeting.
104. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys shall be owing by the Company to any financing Corporation or Body (hereinafter referred to as the 'the Corporation') or so long as the Corporation holds any shares/debentures in the Company as a result of subscription or underwriting, or conversion of loan/debentures into equity capital of the company or so long as any guarantee given by the Corporation in respect of any financial obligation or commitment of the Company remains outstanding the Corporation shall, pursuant to Director(s) on the Board of directors of directors of the Company (each such director also is hereinafter referred to as 'the Nominated Director'). The Nominated Director shall not be required to hold qualification shares and shall not be liable to retire by rotation. The Corporation may at any time and from time to time remove the Nominated Director appointed by it and may, in the event of such removal and also in case of death or resignation of the Nominated Director, appoint another in his place and also fill any vacancy which may occur as a result of the Nominated Director ceasing to hold office for any reason whatsoever. Such appointment or removal shall be made in writing by the Corporation and shall be delivered to the Company at its registered office. The Board of Directors of the Company shall have no powers to remove its registered office. The Board of Directors of the Company shall have no powers to remove the Nominated Directors from office. Each such Nominated Director shall be entitled to attend all General Meetings, Board Meetings and meetings of the Committee of which he is a member and he and the Corporation appointing him shall also be entitled to receive notices of all such meetings. The Nominated Director shall be paid all also be entitled to receive notices of all such meetings. The Nominated Director shall be paid all remuneration, fees, allowances, expenses and other moneys to which other Directors are entitled".

### **Casual vacancy**

105. Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, and the person so appointed shall hold office p to the date on which the director in whose place he is appointed would have held office if it had been vacated.

### **Alternate Directors**

106. 1. The Board of Director of the Company may appoint Alternate Director to act for a Director (hereinafter called in this clause "the original Director") during his absence for a period of not less than three months from the State of Tamilnadu.

2. An alternate Director appointed under Sub-clause (I) shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to the State of Tamilnadu.
75. If the term of office of the Original Director is determined before he so returns to the State of Tamilnadu any provisions for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Director and not to the Alternate Director.

**Continuing Directors may act:-**

107. The continuing Directors may act notwithstanding any vacancy in their body, but so that if the number falls below, the minimum above fixed, the Directors shall not except for the purpose of filling up vacancies act so long as the number is below the minimum.

**Vacation of office by Directors**

108. 1. The office of the Director shall be vacated if :-
  - (b) he is found to be of unsound mind by a court of competent jurisdiction.
  - (c) he applies to be adjudicated insolvent.
  - (d) he is adjudged an insolvent;
  - (e) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months.

**Director may contract with company**

109. 1. Subject to the provision of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the company either as vendor, purchaser, lender, agent, broker, or otherwise nor shall any such contract or arrangement entered into by or on behalf of the company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided, nor shall any company for any profit realized by such contract or arrangement by reason only of such Director holding the office or of the fiduciary relation thereby established, but the nature of the interest must be disclosed by him or them at the meeting of the Board at which the contract or arrangement is determined, or if the interest then exists or in any other case at the meeting of the Board after the acquisition of the interest. Provided nevertheless that no Director shall take part in the discussion or vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and if he does so, his vote shall not be counted, but he shall be entitled to be present at the meeting during the transaction of the business in relation to which he is precluded from voting although he shall not be counted for the purpose of ascertaining whether there is a quorum of Directors present. This provision shall not apply to any contract by or on behalf of the company to give the Directors or any of them any security by way of indemnity against any loss which they or

any of them may suffer by becoming or being sureties for the company or to any contract or arrangement entered into or to be entered into with a public company, or a private company which is a subsidiary of a public company in which the interest of the Director aforesaid consists solely in his being a Director of such company and the holder of not more than shares of such numbers or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company.

2. A general notice that a y director is a Director or a member of a y specified company or is member of any specified firm and is to be regarded as concerned or interested in any subsequent transaction with such company or firm shall, regards any such transaction be sufficient disclosure of the concern or interest under these Articles and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such company or firm.
3. A Director may be, or become, a Director or member of any Company promoted by this Company or in which this company may be interested as vendor, Shareholder or otherwise and no such Director shall be accountable to the company for any benefits received as a Director member of such Company.

### **Rights or Directors**

110. Except as otherwise provided by these Articles, all the Directors of the company shall have in all matters equal rights and privileges and be subject to equal obligations and duties in respect of the affairs of the company.

### **RETIREMENT OF DIRECTORS**

#### **Rotation and retirement of Directors.**

111. 1. At the First Annual General Meeting after the adoption of those Articles, all the Directors except the Ex-officio Directors, if any, shall retire from office and at the Annual General Meeting of the Company in every subsequent year, for the time being or if their number is not there or a multiple of three, then the number nearest to one-third shall retire from office.
116. Ex-officio Director shall not be liable for retirement by rotation.
3. The term Ex-officio Director means any Technical, Special or Debenture Director appointed under Article 136, below:

#### **Retiring Director eligible or re-election**

112. A retiring Director shall be eligible for re-election and the company at the General Meeting, at which a Director retires in the manner aforesaid may fill up the vacancy by appointing the retiring Director or some other person thereto.

**Which Director to retire**

113. The Director to retire in every year shall be those who have been longest in office since their last election but, as between persons who become Directors on the same, day, those to retire shall, unless they otherwise agree among themselves be determined by lot.

**Retiring Director to remain in office till successors appointment**

114. If at any general Meeting at which an election of Director ought to take place, the place of any retiring Director is not filled up, and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned to the same day in the next week at the same time and place to if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place and if the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy then the retiring Director whose place has not been so filled up shall be deemed to have been re-elected at the adjourned meeting subject to the provisions of Section 256 of the Act.

**Power of General Meeting to increase or reduce number of Directors.**

115. Subject to the provisions of Section 252 and 259 of the Act, the Company in General Meeting may increase or reduce the number of Directors and may also determine in what relation the increased or reduced number is to retire.

**Power to remove Director by ordinary resolution**

116. Subject to the provisions of Section 284 of the Act the Company may by an ordinary resolution remove any Director before the expiration of his period of office and by an ordinary resolution appoint another person in his stead: the person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected as Director.

**Rights of persons other than retiring Directors to stand for Directorship**

117. A person not being a retiring Director shall be eligible for appointment to the office of the Director at any General Meeting if he or some other member intending to propose him as a Director has, not less than 14 days before the meeting, left at the Registered office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office of the Director as the case may be, provided such person by himself or by his agent authorized in writing has signed and filed with the Register a consent in writing to act as such Director.

**Meeting of the Board**

118. 1. The Board may meet for the dispatch of business, adjourn and otherwise regulate the meetings, as they think fit, provided that a meeting of the Board shall be held at least once in every three calendar months subject to the provisions of Section 285 of the Act.

2. The Secretary may as and when necessary and shall on the requisition of a director at any time summon a meeting of the Board.

### **Quorum**

119. The quorum for a meeting of the Board shall be one-third of the total strength (any fraction contained in the one-third being rounded off as one) or two Directors whichever is higher, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number remaining Director, that is to say the number of the Directors who are not interested, present at the meeting being not less than two, shall be the quorum such time, The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution of meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any whose place are vacant at the time, The term "Interested Directors" means any Director whose presence cannot by reason of Section 300 of the Act count for the purpose of forming a quorum at meeting of the Board, at the time of the discussion of vote on any matter.

### **Questions how decided**

120. 1. Save as otherwise expressly provided in the Act, a meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the company for the time being vested in or exercisable by the Directors in general and all question arising at any meeting of the Board shall be decided by a majority of the Board.
2. In case of an equality of Votes the chairman shall be a second or casting vote in addition to his vote as a Director. Provided that the chairman shall not have a casting vote at the election of a chairman of the Board.

### **Chairman**

121. 1. The Directors may elect a chairman of their meeting and determine the period for which he is to hold office and unless otherwise determined the Chairman shall be elected annually.
  2. The Directors may also like wise elect one of their members as Vice-Chairman to preside over their meetings in the absence of the Chairman and determine the period for which he is to hold office and unless otherwise determined, the Vice-Chairman shall be elected annually. The Vice-Chairman shall, in the absence of the Chairman have all the powers conferred on the chairman by these articles.
117. If no person has been appointed as chairman under clause (2) above or Vice-Chairman under clause (2) above or, if at any meeting the Chairman and the Vice-Chairman are not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their member to chairman of the meeting.



### **Committee**

122. 1. The Board of Directors may, from time to time appoint one or more committees consisting of one or more members or their body, as the Board may deem fit.
2. The quorum of a committee may be fixed by the Board and until so fixed if the committee is of a single member or two members the quorum shall be one and if more than two members it shall be two.

### **Election how determine**

124. 1. A Committee may meet and adjourn as it thinks proper.
2. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be, and in case of an equality of votes the chairman shall have a second or casting vote in addition to his vote as a member of the committee.

### **Acts done by board or committee valid notwithstanding defective appointment, etc.**

125. All acts done by any meeting of the Board or of a Committee thereof, or by any person acting as Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any or more 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 and such person had been duly appointed and was qualified to be a Director.
126. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee at their usual address in India, nor being less in number than the quorum fixed for the meeting of the Board or the committee as the case may be and approved by such of the Directors as are then in India or by majority of such of them as are entitled to vote on the resolution shall be as valid and effectual as if it has been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

### **POWER AND DUTIES OF DIRECTORS**

127. a) The business of the company shall subject to the provisions thereof be managed by the Board of Directors, who may exercise all such powers of the company as are set by the Act or any statutory modification thereof for the time being in force, or by these presents, required to be exercised by the company in General Meeting, Subject nevertheless to any regulation of these presents, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the company in General Meeting but no regulation made by company General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had been made.

- b) Without prejudice to the generally of the powers conferred by the last preceding clause, and the other powers conferred by these present, it is hereby expressly declared that the Directors shall have the following powers that is to say, power
116. To carry on and transact the several kinds of business specified in clauses of the memorandum of Association of the Company.
  117. To draw, accept, endorse, discount, negotiate and discharge on behalf of the Company all bills of exchange, promissory notes, cheques, hundies, drafts, railway receipts, dock warrants, delivery orders, Government Promissory Notes, other Government instrument bonds, debentures of debenture stock of Corporations, local bodies, Post Trusts, Improvement Trusts or other Corporate Bodies, and to execute transfer deeds for transferring stock, share or stock certificates of the Government and other local or corporate bodies in connection with any business or nay subject of the Company.
  118. To acquire by purchase, lease, exchange or otherwise lands, estates, fields, buildings, office, showrooms, godowns and other buildings in the State of Tamilnadu or elsewhere, machinery, engine, plant, rolling stock, tools, machine tools, outfits stores, hardware and any other materials or whatever description either for credit or for cash and present or future delivery.
  119. At their discretion, 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 or other securities of the company and any such shares may be issued either as fully paid up or with amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, or other securities may be either specifically charged upon all or any of the company or not so charged.
  120. To engage and in their discretion to remove, suspend, dismiss, and remunerate, legal advisors, accountants, cashiers, clerks, agents, commission agents, dealers, brokers, foremen, servants, employees of ever description to employ such professional or technical or skilled assistants as from time to time may in their opinion be necessary or advisable in the interest of the company and upon such terms as to duration of employment, remuneration or otherwise and may require security in such instances and to such amounts as the Directors think fit.
  121. To secure the fulfillment of any contracts or agreements entered into by the Company, by mortgage of all or any of the property of the company or in such other manner as they may think fit.
  122. To institute, conduct, defend, compound or abandon any actions suits and legal proceedings by or against the company or its officers or otherwise concerning the affairs of the company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings.
  123. To plan, develop, improve, cut down, process, sell or otherwise dispose of the products of the products of the company and to incur all expenses in this behalf.

124. To make and give receipts, releases and other discharges for money payable to the company and for the claims and demands of the company.
  125. To determine who shall be entitled to sign on the Company's behalf bills of exchange, promoted, dividend warrants, cheques and other negotiable instruments, receipts, acceptance, endorsements, releases, contracts, deeds and documents.
  126. From time to time to provide for the management of the affairs of the company in any specific locality in India or abroad in such manner as they think fit and in particular to appoint any persons to be the attorneys or agents of the company wither abroad or in India with such powers including power to sub delegate and upon such terms as may be thought fit.
  127. To invest and deal with any of the moneys of the company not immediately required for the purpose thereof upon such securities as they think fit.
  128. To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgage of the company's property (present and future) as they think fit and any such mortgage may contain a power of sales and such other powers, covenants and provision as shall be agreed on.
  129. To give to any person employed by the company a commission on the profits of any particular business or transaction, or a share in the general profits, of the company, and such commissions or share of profits, shall be treated as part of the working expenses of the company.
  130. From time to time make, vary and repeal by law for the regulation of the business of the Company its officers and servants.
  131. To enter into all such negotiation and contracts, and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purpose of the company..
  132. To pay gratuities, bonus, rewards, presents and gifts to employees or dependants of any deceased employees, to charitable institution or purposes, to subscribe for provident funds, and other associations for the benefit of the employees.
- c) 1. The Board shall exercise the following powers on behalf of the company only by resolutions passed at a meeting of the Board.
- cxvi) Power to make calls on shareholders in respect f money unpaid on their shares:
  - cxvii) Power to issue debenture
  - cxviii) Power to borrow moneys otherwise than on debentures;

- cxix) Power to invest the funds of the company, and
- cxx) Power to make loans.
2. The Board may by a resolution passed at a meeting delegate any Committee of the Board, if any, powers specified in sub-clause (iii), (iv) and (v) of clause (i) above.
118. Every resolution delegating the power set out in sub-clause (iii) of clause (i) above shall specify the total amount outstanding at any one time upto which the moneys may be borrowed by the said delegate.
119. Every resolution delegating the power referred in the sub-clause (iv) of clause 9i) above shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.

Every resolution delegating the power referred to in sub-clause (v) of clause (i) above shall specify the total amount upto which loans may be made by the delegate, the purpose for which the loans may be made and the maximum amount of the loan that may be made for each such persons in individual cases.

#### **Appointment and powers of Managing Directors, Whole-time Directors Technical Directors.**

128. 1. Subject to the provisions of Section 269,193 and 309 and other provisions of the Act, the Board may appoint one or more of their members as Managing Director or Managing Directors, Whole-time Directors or Technical Director or Technical Directors at such remuneration and upon such conditions as they think fit.
2. A Managing Director shall not, while he continue to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire, but I subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and removal as the other Directors of the company, and he shall, Ipso facto and Immediately, cease to be a Managing Directors at such remuneration and upon such conditions as they think fit.
16. Subject to the provisions of the Act and to the general supervision and control of the Board any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors or Technical Director or Technical Directors shall have the general direction, management and superintendence of the business of the Company with power to do all acts, matters and things deemed necessary, proper or expedient for carrying on the business and concerns of the company, including power to appoint, suspend and dismiss officers, staff and workmen of the company, to make and sign all contracts and receipts and to draw , accept, endorse and negotiable on behalf of the company all such bills of exchange, promissory notes, hundies, cheques, drafts, government promissory notes, or other government papers and other instruments as shall be necessary and to operate on the Bank account of the company and to represent the company in all suits and all other proceedings and to engage solicitors, advocates and other agents and to sign the necessary papers, documents and instruments of authority, to

appoint agents or other attorneys and to delegate to them such powers as the Managing Director or Managing Directors or Technical Director or Technical Directors may deem fit and at pleasure, such powers to revoke and generally to exercise all such powers and authorities and are not by the companies Act for the time being in force or by these Articles expressly directed to be exercised by the Board of Directors or by the Company in General Meeting.

17. The Managing Director or Managing Directors or Whole-time Director or whole-time Directors or Technical Director or Technical Directors shall not exercise the powers to:
  - a) Make calls on shareholders in respect of money unpaid on their shares in the company
  - b) Issue debenture:  
And except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, shall also not exercise the powers to:
  - c) Borrow moneys, otherwise than on debenture
  - d) Invest the funds of the company and
  - e) Make loans.
18. Technical Director or Technical Directors shall advise the Board on technical matters and perform such duties and shall exercise such powers as are assigned to him or them by the Board.
19. The Company shall not appoint or employ, or continue the appointment or continue the appointment or employment of a person as its Managing Director or Whole-time Director or Technical Director who.
  - (a) is an undischarged insolvent, or has at any time been adjudged as insolvent.
  - (b) suspends, or has at any time suspended, payment to his creditors, or makes, or has at any time made a composition with them, or
  - (c) Is, or has at any time been, convicted by a Court of an offence involving moral turpitude.

### **Legal proceedings**

129. Any Managing Director or the Secretary for the time being or any other person duly authorized by the Director shall be entitled to make, give, sign and execute all and every warrant to use or defend on behalf of the company, all and every legal proceedings and compositions, or compromise agreement, and submission to arbitration and agreement to refer to arbitration as may be requisite and for the purpose aforesaid, the Secretary or such other person may be empowered to use their or his own name on behalf the company, and they or he shall e saved harmless and indemnified

out of the funds and property of the Company from and against all costs and damages which they or may incur or be liable to by reason of their or his name being so used as aforesaid.

### **Powers to Delegate to Directors**

130. Subject to the provisions of Section 292 of the Act and the other provisions of the Act, the Board may delegate from time to time and at any time to a committee formed out of the Directors jointly or severally or to any one director, any of the powers, authorities and discretion for the time being vested in the Board and any such delegation may be made on such terms and subject to such conditions as the Board may think fit.

### **Attorney of the Company**

1. The Board may appoint at any time and from time to time by a power of attorney under the company's seal any person to be the attorney of the company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment may, if the Board think fit, be made in favor of the members, or any of the members of any firm or Company or the members, or Directors, nominees or manager of any firm or company otherwise in favor of any fluctuating body or persons, whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.

### **Duty to maintain registers etc and record of minutes**

132. The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of the mortgage and charges affecting the properties of the company or created by it and to keeping a Registrar annual list of members and a summary; of particulars of shares and stock and copies of special resolutions and such other resolutions of the Board as are requested to be filed with Registrar under Section 191 of the Act and a copy of the Registrar of Directors and notification of any changes therein.

### **Secretary**

133. The Board shall have power to appoint as the Secretary a person fit in their opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as they may determine. The Secretary shall have such powers and duties as may, from time to time be delegated to him by the Directors.

### **Powers as to Commencement of Business of Branch of Business**

134. Any branch, or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorized to be undertaken by the company, may be undertaken by the Board at such time or times as they shall think fit and further may be suffered by them to be in abeyance whether such branch or kind of business may have been actually

commenced or not so long as the Board may seem it expedient not to commence or proceed with such branch or kind of business.

## **BORROWING**

135. 1. The Board of Directors may from time to time but subject to such consent of the company in general meeting as may be required under Section 293 of the Act raise any money or any moneys or sums of money for the purpose of the company provided that the moneys to be borrowed by the company apart from temporary loans obtained from the company's bankers in the ordinary course of business shall not without the sanction of the Company at a general meeting 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 and in particular, but subject to the provisions of Section 292 raise or borrow or secure the payment of any sum of money for the purpose of the company, by the issue of debentures perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities and in security of any such money so borrowed, raise or receive mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities.

Provided that every resolution passed by the company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

2. The Directors may by a resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors within the limits prescribed.
3. Subject to the provisions of the above sub-clause, the Directors may, from time to time, at their discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the company, at such time and in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes, or by opening current accounts or by receiving deposits and advances with or without security, or by the issue of bonds, perpetual or redeemable debenture stock of the company charged upon all or any part of the property of the company (both present and future) including its uncalled capital for the time being, or by mortgage or charging or pledging any lands, buildings, goods or other property and securities of the company or by such other means as may seem expedient.
4. Such debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the company and the person to whom the same may be issued.

## Nomination of Directors

136. 1. Any trust deed for the securing of any debentures or debentures stock and or any mortgage deed or other bond for securing payment of money borrowed by or due by the company and/or any contract or any agreement made by the company with any person, firm, body, corporate, government or any authority who may render or agree to render any financial assistance to the company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the company or by subscription to the share capital of the company or provide assistance in any other manner, may provide for the appointment from time to time, by any such mortgage, lender, trustee of or holders of debentures or contracting partly as aforesaid, of one or more persons to be a Director or Directors of the Company. Such Trust Deed, Mortgage Deed, Bond Director as aforesaid may from time to time remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any causal vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debentures or on the termination of such contract and any person so appointed as director under mortgage or Bond or Debenture Trust deed or under such contract shall cease to hold office as such Director on discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.
2. In Particular the Board of Directors may at their discretion borrow or otherwise raise money for the purpose of the company from Central Government of any state Government or the industrial Finance Corporation or any other Finance Corporation and for the purpose may empower or authorize them to appoint one or more individual as Directors.
3. The Board of Directors may at any time appoint ay suitable person as a technical Director of the Company and they upon such persOn shall not be liable for retirement by rotation and shall not be required to hold any qualification shares. The Board of directors may determine the period for which such person shall hold office as such Technical Director either or till the happening of any contingency or subject to any condition.
4. The Director or Directors so appointed buy or under Mortgage deed or Debenture Trust Deed or other bond or contractor authorization or by the Board as aforesaid shall not be required to hold any qualification shares and shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be remove from office by the company. Such Mortgage Deed or Bond or Trust Deed or contract or authorization may contain such auxiliary provisions as may be arranged between the company and Mortgages, Lender, the Trustee of contraction party as the case may be all such provision shall have effect notwithstanding any of the other provision herein contained but shall be subject to the provisions of the Act.
5. The Total number if Director, if any, so appointed under this Article together with any other Ex-office Directors shall not any time exceed one-third of the whole number of Directors for the time being.



### **Terms of debenture issues**

137. Any Such debenture, debenture-stock, bonds or other securities may be issued at a discount, subject to provisions of the Act, at premium or otherwise, and with any special privileges as to redemption, surrender, drawings, allotment of shares of the company, or otherwise, provided that debentures with the right to allotment of or conversion into share shall not be issued except with the sanction of special resolution of the company in General Meeting, and subject to such approval of the Central Government as may be required.

### **Registrar of Mortgages**

138. The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the company, and shall duly comply with the requirement of Act in regard to the Registration of mortgages and charges therein specified and otherwise.

### **Charge on uncalled capital**

139. If any uncalled capital of the company is included in or charged by any mortgage or, other security the Board may, by instrument under the company's seal authorize the person in whose favor such mortgage or security is executed, or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall mutandis apply to such calls may be made exercisable either conditionally or in conditionally and either presently or contingently, and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.

### **Subsequence assignees of Uncalled Capital**

140. Where any uncalled capital of the company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled by notice to the shareholders or otherwise to obtain priority over such prior charge.
141. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

## **COMMON SEAL**

### **Common seal**

142. The board shall provide a common seal for the company and shall have power from time to time to cancel the same and substitute a new seal in lieu thereof. The company seal shall be kept at the Registered Office of the Company and committed to the custody of the Secretary.

**Office seal for use abroad**

143. The Company may exercise the powers conferred by Section 50 of the Act with regard to having an official seal for use abroad and such powers shall be vested in the Directors and exercise by them in accordance with the said section.

**Affixture of Common Seal**

144. The seal shall nor be affixed to any instrument except by authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf and unless the Board otherwise determines, every deed or other instruments to which the seal is required to be affixed shall unless the same is executed by a duly constituted attorney for the company be signed by two Directors in whose presence the seal shall have been affixed and also signed by the Secretary or such other person as may from time be authorized by the Board

**DIVIDENDS AND RESERVE**

- 145.(a) The profits of the Company (including capital profits) subject to any special right relating thereto created or authorized to be created by these presents, and or subject to the provisions of these presents, as to the Reserve Funds, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively on the last day of the year of account in respect of which such dividends are declared and in the case of interim dividends on the close of the last day of the period in respect of which such interim dividend is paid.
- (b) Where capital is paid up on any shares in advance of calls, upon the footing that same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits

**Declaration of Dividends**

146. The company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

**Interim Dividend**

147. The Board may from time to time pay to the members such interim dividends as appear to them to be justified by the profits of the company

**Dividends too be paid out of profits only**

148. No. dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 205 of the Act.

### **Reserve Funds**

149. 1. The Board may before recommending any dividend set aside out of the profits of the company such sum as they think, proper as reserve or reserves, which shall, at the discretion of the Board be property applied, including provision for meting contingencies or for equalizing dividends, and pending such application, at the like discretion, either be employed in the business of the Company r be invested in such investments 9other than shares of the Company) as the Board may, from time to time think fit
116. The Board may also carry forward any profits, which they may think not to divide, without setting them aside as Reserve.

### **Method of payment of Dividend**

150. 1. Subject to the rights of persons if any entitled to shares with special right as to dividends, all dividends shall be declared and paid according to shares in respect here the dividend is paid.
116. No. amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of these regulations as paid on the share.
117. 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 an shares is issued in terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

### **Deduction of Arrears**

151. 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.

### **Adjustments of Dividends against calls**

152. Any General Meeting declaring a dividend or bonus may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend or bonus payable to him and so that the call be made payable at the same times as the dividend or bonus and the dividend or bonus may if so arranged between the company and themselves be set off against the call.

### **Payment of Cheque of Warrant**

153. 1. Any Dividend, interest or other moneys payables 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 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 the joint holders may in writing direct.

2. Every Such Cheque or warrant shall be made payable to the order of the person to whom it is sent
3. Every such cheque or warrant shall be posted within forty-two days from the date of declaration of dividend.

### **Receipt of Joint holders**

154. Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such shares.

### **Dividends not to Bear interest**

155. No dividends shall bear interest against the Company.

### **Transfer of Shares not to pass prior dividends.**

156. Any transfer of shares shall not pass the right to any dividend declared therein before the registration of the transfer.

No unclaimed dividend shall be forfeited by the Board and the Company shall comply with the Provision of Section 205(A) of the Act in respect of such dividends.

157. Notice of any dividend that may have been declared shall be given to the persons entitled to the concerned share in the manner mentioned in the Act.

## **CAPITALISATION OF PROFITS**

### **Capitalisation of Profits**

- 158 1. The Company in General Meeting may, on the recommendation of the Board, resolve.**
- (a) that it is desirable capitalize 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 for distribution.
  - (b) that such sums be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
2. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) below, either in or towards.
- (cxvi) paying up any amounts for the time being unpaid on any shares held by such members respectively.

- (cxvii) paying up in full, un-issued, shares of the Company to be allotted and distributed and credited as fully paid-up and amongst such members in the proportion aforesaid; and
  - (cxviii) partly in the way specified in Sub-clause (1) partly in that specified in sub-clause (ii)
3. A share Premium Account and a Capital Redemption Reserve Account may for the purpose of this regulation only be applied in the paying up of un-issued shares to the members of the company as fully paid bonus shares.
118. The Board shall give effect to resolution passed by the company in General Meeting in pursuance of this article.

### **Powers of Directors of Declaration on Bonus**

159. 1. Whenever such a resolution as aforesaid have been the Board shall.
- (lllll) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully shares or debentures if any.
  - (mmmmm) Generally, to do all acts and things required to give effect thereto.
2. The Board shall have full power :
- (cxvi) to make such provision, by the issue of fraction certificates or by payment in cash or otherwise as they think fit, in the case of shares or debentures becoming distributable in factions and also.
  - (ii) to authorize any person to enter on behalf all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares or debentures which they may be entitled upon such capitalization or (as the case may require), for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts remaining unpaid on their existing shares.
3. Any agreement made under the authority shall be effective and binding on all such members.

### **Books of Account**

160. 1. The Board shall cause proper books of accounts to be kept in respect of money received and expended by the company and the matters in respect of which such receipt and expenditure take place of all sales and purchases of goods by the company and of the assets and liabilities of company.

2. If the company shall have branch office, within or out side India, proper books of accounts relating to the transactions effected at that office, shall be kept at that office, months, shall be sent by the branch office to company at the Registered Office or other place in India, as the Board think fit, where the main books of the company are kept.
3. Provided that all or any of the books of accounts aforesaid may be kept at such other place in India, as the Board of Directors may decide and when the Board of Directors so decide the company shall within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.
4. All the aforesaid books shall give a fair and true view of the affairs of the company or of its branch, as the case may be, with respect to the matters aforesaid, and explain its transactions.

### **Inspection by Members**

161. 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 and documents of the company or any of them shall be open to the inspection of the members and no member (not being a Director shall have any right of inspecting any account or books or documents of the company except as conferred by statute or authorized by the Board or by a resolution on the company in General Meeting.

### **Statement of Account to be furnished to Annual General Meeting**

162. The Board shall lay before each Annual General Meeting a profit and Loss Account for the Financial year of the company and Balance Sheet made up as at the end of the financial year which shall be a date not preceeding the day of the meeting by more than six months or such expended period of time as shall have been granted by the Registrar under the provisions of the Act.

### **Balance Sheet and Profit and Loss Account**

163. 1. Subject to the provisions of Section 211 of the Act every Balance Sheet and Profit and Loss Account of the company shall be in the forms set out in part I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit.
116. So long as the Company is a holding Company having a subsidiary, the company shall conform to Section 212 of the Act and other relevant provisions of the Act.
117. If in the opinion of the board any of the current assets of the company may not have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

### **Authentication of Balance Sheet and Profit and Loss Account**

164. 1. Save as provided in clause (2) below, every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board by Secretary if any, by not less than two Directors of the Company including the Managing Director.
116. When only one director is for the time being in India, the Balance Sheet and Profit and Loss Account shall be signed by such Director in addition to the Secretary, and in such a case, there shall be attached to the Balance Sheet and the Profit and Loss Account a Statement signed by such Director explaining the reason for non-compliance with the provisions of clause (1).

### **Profit and Loss Account to be annexed and Auditors Report to be attached to the Balance Sheet**

165. The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditors Report including the Auditors separate or supplementary report if any, shall be attached thereto.

### **Board's Report to be Attached to Balance Sheet**

166. 1. Every Balance Sheet laid before the company in General Meeting shall have attached to it a report by the Board with respect to the state of Company's affairs, the amounts, if any, which they propose to carry to any reserves in such Balance Sheet and the amount, if any, which they propose to carry to any Reserves in such Balance Sheet and the amount, if any, which they recommend to be paid by way of dividend, material changes and commitments, if any affecting the financial year of the company to which the Balance Sheet relates and the date of the Report.
116. The Report shall, so far as it is material for the appreciation of the state of the company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the company's business or that of the company's subsidiaries or in the nature of the business carried on by them and generally in classes of business in which the company has an interest.
117. The Board shall also give the fullest information and explanation in their report or in cases failing under the provision to Section 222 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditors Report.
118. The Board's Report and addendum if any then shall be signed by the Chairman if he is authorized in that behalf by the Board, and where he is not so authorized shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company under clause (1) and (2) of Article 164.
119. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of clauses (1) to (3) of this Article are complied with.

### **Right of Members to copies of Balance Sheet and Auditors Report**

168. The company shall make the requisite annual returns in accordance with Section 159 and 161 of the Act.

### **Accounts to be Audited**

169. Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as herein after set out.

### **Appointment of Auditors**

170. 1. The Company at each Annual General Meeting shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting, and every auditor, so appointed shall be intimated of his appointment within seven days and every auditor so appointed unless he is retiring auditor, shall within 30 days of the receipt from the company of the intimation of this appointment, inform the Registrar of companies in writing that he has accepted or refused to accept the appointment.
116. At any Annual General Meeting, a retiring Auditor by whatsoever authority appointed, shall be reappointed unless.
- (a) he is not qualified for re-appointment.
  - (lllll) he has given the company notice in writing on unwillingness to be re-appointed.
  - (mmmmm) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be reappointed; so
  - (nnnnn) where notice has been given of an intended resolution to appoint some person or persons in the place of a retiring Auditor, and by reason of the death incapacity or disqualification of that person or any or all of those person as the case may be, the resolution cannot be proceed with.
117. Where at an Annual General Meeting no Auditors are appointed, the Central Government may appoint a person to fill vacancy.
118. The Board may fill any casual vacancy.
5. The Company shall, within seven days of the Central Government's power under clauses (3) becoming exercisable give notice of that fact to that government.
120. The Board may fill any casual vacancy in the office of an Auditor, so however that while any such vacancy continues, the remaining Auditor or Auditors (if any) may act, but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.



121. A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the company not less than for fourteen days before the meeting in accordance with Section 190 of the Act and the company shall send a copy of such notice of the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this clause shall also apply to a resolution that a retiring Auditor shall not be re-appointed.
122. Any Auditor may before the expiry of his term be removed from the office by the company in General Meeting after obtaining the previous approval of the Central Government in that behalf.
123. The persons qualified for appointment as Auditor shall be only those referred to in Section 226 of the Act.

### **Audit of Branch Offices of Company**

171. The company shall comply with the provisions of Section 228 of the Act in relating to the Audit of the Accounts of Branch Offices of the Company.
172. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any auditors appointed to fill any casual vacancy may be fixed by the Board.

### **Rights and duties of Auditors**

173. 1. Every Auditors of the Company shall have right of access at all times to the books and accounts and vouchers of the company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of his duties as Auditors.
2. All notices of and other communications relating to, any General Meeting of the Company, which any member of the company is entitled to have sent to him, shall also be forwarded to the Auditor and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
3. The Auditor shall make a report to the members of the company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other document declared by this Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the company in General Meeting during his tenure of office and the Report shall state whether, in his opinion and the best of his information and according to the explanations give to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view :

- (cxvi) In the case, of the Balance Sheet, of the state of the company's affairs as at the end of its financial year and
- (cxvii) In the case of the Profit and Loss Account, of the Profit and Loss, for its financial year.

The Auditor's Report shall also state :

- (a) Whether he has obtained all the information and explanations, which to the best of his knowledge and belief were necessary for the purpose of his audit.
- (b) Whether, in his opinion, proper books of accounts as required by law have been kept by the company so far as appears from his examination of those books, and proper returns adequate for the purpose of his audit have been received from branches not visited by him.
- (c) Whether the report on the accounts of any office audited under Section 228 of the Act by a person other than the company's auditor has been forwarded to him as required by clause (c) of Sub-section (3) 228 of the Act and how he has dealt with the same in preparing Auditor's Report and.
- (d) Whether the Company's Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of account and returns.

119. Where any of the matters referred to in items (i) and (ii) of sub-clause (3) above or in items (a), (b) and (c) of sub-clause (4) above is answered in the negative or with a qualification the Auditors Report shall state the reason for the answer.

120. The accounts of the Company shall not be deemed as not having been, and the Auditors Report shall not state that these accounts have not been, properly drawn up on the ground merely that the company has not disclosed certain matters if :-

(lllll) These matters are such as the company is not required to disclose by virtue of any provisions contained in the Companies Act in any other Act, or

(mmmmm) Those provisions are specified in the Balance Sheet and Profit and Loss Account of the Company.

121. The Auditors Report shall be read before the company in General Meeting and shall be open to inspection by any member of the company.

**Accounts when audited and approved to be conclusive except as to errors discovered within three months**

174. Every Account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein three months next after the approval

thereof. Whenever and such error is discovered within the period the account shall forthwith be corrected and shall thence after be conclusive.

## **SERVICE OF DOCUMENT AND NOTICE**

### **Service of document on the company**

175. A document may be served on the company or any officer thereof by sending it to the company or officer at the registered office of the company by post under a certificate of posting or by registered post, or by leaving it at the Registered Office.

### **How Documents are to be served on members**

176. 1. A document (with expression for this purpose shall be deemed to include and shall include any summons, notice registration, process, order, judgment or any other document in relation or in the winding up of the company) may be served or sent by the company or to any member either personally or by sending it by post to him to his registered address, if any, within India supplied by him to the company for the giving of notices to him.
2. All notices shall with respect to any registered shares to which persons are entitled jointly be given to whichever of such person is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.
3. Where a document is sent by post, service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document, providing that where a member has intimated to the company in advance that the document should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the company a sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected.
- (cxvi) in the case of a notice of a meeting at the expiration of forty eight hours after the letter containing the notice is posted, and
- (cxvii) in any other case, at the time at which the letters could be delivered in the ordinary course of post.

### **Members to Notify Address in India**

178. If a member has no registered address in India and has not supplied to the company an address within India for the giving of notice to him a document advertised in a newspaper circulating in the neighborhood of the registered office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

### **Service on person acquiring shares on death or insolvency of members**

179. A document may be served by the company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of insolvent or by any like description at the address (if any) in India supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

### **Persons entitled to notice of General Meeting**

180. Subject to the provisions of the Act and these Articles notice of General Meeting shall given.
- (lllll) to the members of the company as provided by Articles 73 in any manner authorized by Articles 182 and 183 as the case may be or as authorized by the Act.
- (mmmmm) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 170 or as authorized by the Act.
- (nnnnn) to the Auditor or Auditors for the time being of company, in any manner provided by Article 184 as authorized by the Act in the case of any member or members of the Company.

### **Advertisement**

181. Subject to the provisions of the Act any document required to be served or sent to the members or any of them by the company and not expressly provided for these presents, shall be deemed to be duly served or sent if advertised once in a newspaper circulating in the neighborhood of the Registered Office of the Company.

### **Members bound by documents given to previous holders**

182. Every persons, who by the operation of law, transfer, other means whatsoever, shall become entitled to any share shall be bound by every document in respect of such share which previously to his name and address being entered on the Register, shall have been duly served on or sent to the person from whom he derives his title to such shares.

### **How notice to be signed**

183. Any notice to be given by the company shall be signed by the secretary or by such Director or officer as the Board may appoint. The signature to any notice to be given by the company may be written or printed or lithographed.

## **AUTHENTICATION OF DOCUMENTS**

### **Authentication of Documents and proceedings**

184. Save as otherwise expressly provided in the Act or these Article, a document or proceeding requiring authentication by the Company may be signed by the Secretary or a Director or by any authorized officer or company and need not be under its seal.

## **WINDING UP**

### **Winding up**

185. Subject to the provisions of the Act as to preferential payments, the assets of the company shall on its winding up, be applied in satisfaction in its liabilities *pari passu* and, subject to such application shall unless the article otherwise provide, be distributed among the members according to their rights and interests in the Company.

### **Division of assets of the company in specie among members**

186. If the company shall be wound up whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution, divide among the contributories in specie or kind, any part of the assets of the company and may with the like sanction vest any party of the assets of the company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction shall think fit. In case any shares to be divided as aforesaid involve a liability to calls or otherwise any persons entitled under such division to any of the said shares may within ten days after the passing of the special resolution, by notice in writing, direct the liquidators shall if practicable, act accordingly.

## **INDEMNITY AND RESPONSIBILITY**

### **Right of Directors and others to Indemnity**

187. 1. Subject to the provisions of Section 201 of the Act every Director, Manager, Secretary and other Officer or employee of the Company shall be indemnified by the company against, and it shall be the duty of the Directors out of the funds of the company to pay, all costs, losses and expenses (including traveling expenses) which any such director, officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him or in any other way in the discharge of his duties as such Director, Officer or employee.
2. Subject as aforesaid every Director, Manager, Secretary of other Officer or Employee of the company shall be indemnified against any liability incurred by them in defending any proceeding whether civil or criminal in which judgment is given in their or his favor or in which they or he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to them or him by the court.

### **Not withstanding for acts of others**

188. 1. Subject to the provisions of Section 201 of the Act no Director or other officer of the company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for the sake merely of conformity, for any loss or expense happening to the company through insufficiency or deficiency of title to any property acquired by order of the Director for or on upon which any money of the company shall be invested, or for any loss or damaged arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation , with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own willful act or default.
2. Without prejudice to the generality of foregoing it is hereby expressly declared that any filing fee payable on any document required to be filed with the Registrar of companies or any other payment to be made to Registrar of Companies in respect of any act done or required to be done for the company by any Director or other officer by reason of his holding the said office, shall be paid and borne by the Company.

### **Secrecy clause**

189. 1. No member shall be entitled to visit or inspect the company's works without the permission of the Directors or Secretary, or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery or trade or secret process or which may release to the conduct of the business of the business of the company and which be in the opinion of the Board or the Secretary it will be inexpedient in the interest in the interest of the company to communicate to the public.
1. Every Director, Manager, Secretary, Auditor, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall if so required by the Board, before entering upon his duties or at any time during his time of office, sign, a declaration pledging himself to observe strict respecting all transactions of the company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any matters which may come to his knowledge in the discharge of duties except when required so to do by the Board of Directors or by any General Meeting or by a Court of law an except so far as may be necessary in order to comply with any of the provisions contained in these articles.

SI. No.	Signatures. Names, Addresses. Descriptions and Occupations of the Subscribers	Signature, Name, Address, Description and Occupation of Witness
1.	<p>Sd/-  <b>PUTHUVETIL ABRAHAM JOYKUTTY</b>            Age.50, S/o G.V. Abraham            1669, 15<sup>th</sup> Main Road,            Annanagar,            Madras – 600 040.</p> <p><b>BUSINESS</b></p>	
2.	<p>Sd/-  <b>ANNAMMA JOY</b>            Age.41 W/o P.A. Joykutty            1669, 15<sup>th</sup> Main Road,            Annanagar,            Madras – 600 040.</p> <p><b>BUSINESS</b></p>	<p>Sd/-  <b>M.V. BALACHANDRAN, B.com., F.C.A.</b>            Chartered Accountant            S/o Sri M.R.R. Variar            Age.39            12A/5, “Shanthi Apartments”            Vysar Street, T.Nagar,            Madras – 600 017</p>
3.	<p>Sd/-  <b>THOMAS PUTHUVETIL JOY</b>            Age 19. S/o P.A. Joykutty            1669, 15<sup>th</sup> Main Road,            Annanagar,            Madras – 600 040.</p> <p><b>BUSINESS</b></p>	
4.	<p>Sd/-  <b>GEORGE PUTHUVETIL JOY</b>            Age 18. S/o P.A. Joykutty            1669, 15<sup>th</sup> Main Road,            Annanagar,            Madras – 600 040.</p> <p><b>BUSINESS</b></p>	
5.	<p>Sd/-  <b>NALLAPPA UDAIYAR KARUPPIAH</b>            Age.39, S/o S.M. Nallappa Udaiyar            17, Bharathiyar Street, Padi            Madras 600 050</p> <p><b>BUSINESS</b></p>	

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SI. No.	Signatures. Names, Addresses. Descriptions and Occupations of the Subscribers	Signature, Name, Address, Description and Occupation of Witness
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| 6. | Sd/-<br><b>VENKATARAMAN NAGARAN</b><br>Age 47. S/o P. Venkataraman<br>1A/2, "Raman Avenue",<br>Cart Track Road, Guindy<br>Madras – 600 032 .<br>Madras – 600 032 .<br><b>BUSINESS</b> | Sd/-<br><b>M.V. BALACHANDRAN, B.com., F.C.A.</b><br>Chartered Accountant<br>S/o Sri M.R.R. Variar<br>Age.39<br>12A/5, "Shanthi Apartments"<br>Vysar Street, T.Nagar,<br>Madras – 600 017 |
| 7. | Sd/-<br><b>RAJU SATHASIVAM</b><br>Age 35.<br>N-4, XVIII Avenue,<br>Ashok Nagar,<br>Madras – 600 083.  |  |
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Date: 5.5.93

Place: Madras