
**MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
TWENTYFIRST CENTURY
MANAGEMENT SERVICES LIMITED**



CONVERSION FROM "PRIVATE to
"PUBLIC" U/s.44 of the Act.

Company Number. 12791

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME**

In the office of the Registrar of Companies, Tamil Nadu, Madras-8.
(Under the Companies Act, 1956 (1 of 1956))

IN THE MATTER OF* TWENTYFIRST CENTURY MANAGEMENT SERVICES
PRIVATE LIMITED

I hereby certify that, TWENTYFIRST CENTURY MANAGEMENT SERVICES PRIVATE
which was originally incorporated on 13th day of MARCH 1986 LIMITED

under** Companies Act, 1956/~~1956~~ and under the name TWENTY FIRST CENTURY
MANAGEMENT SERVICES PRIVATE LIMITED

having duly passed the necessary resolution on 14.12.83 ⁴⁴ of the
Companies Act, 1956 and the approval of the Government obtained in writing having been
recorded, pursuant to the Ministry of Industry and Company Affairs, Department of Company Affairs,
Registration - Companies - Madras - Letter No. -----

dated ----- the name of the said company in this day changed to -----

TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED

and this Certificate is issued pursuant to Section 23(1) of the said Act

Given under my hand at MADRAS this TENTH Day of FEBRUARY
TWENTY FIRST MAGHA

One thousand nine hundred and ~~Eighty~~ NINETY FOUR

One thousand nine hundred and FIFTEEN(SAKA) (Saka)



V.C. Davey
(V.C. DAVEY)

ADDL. Registrar of Companies
Tamil Nadu

- * Here give the name of the company as existing prior to the change.
- ** Here give the name of the Act(s) under which the company was originally registered and incorporated.

FORM 1 R.



CERTIFICATE OF INCORPORATION

No. 12791 of 19 86

I hereby certify that TWENTYFIRST CENTURY MANAGE-
MENT SERVICES PRIVATE LIMITED. *** **

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

Given under my hand at M A D R A S

this THIRTEENTH day of MARCH
TWENTY SECOND PHALGUNA

One thousand one hundred and eighty six

One thousand nine hundred and seven (S. 1)




(R. AGNIRAJAMURTI)
Registrar of Companies
TAMIL NADU

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
**TWENTYFIRST CENTURY
MANAGEMENT SERVICES
LIMITED**

- I. The name of the Company is **TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED.**
- II. The Registered Office of the company will be situated in the state of Tamil Nadu.
- III. The objects for which the Company is established are :-
 - A. **THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :-**
 1. To act as Registrars, Managers, Issue House, Promoters, Consultants, Advisors, Transfer Agents Brokers, Underwriters, to companies and Business

House in the matter of issue, forfeiture, sub-division, consolidation of shares, stocks, bonds, debentures, fixed deposits and other securities and to render all connected services therewith.

2. To acquire by purchase, hire, lease, import or rent, buy, sell, let on hire, lease, exchange, alter, improve, manipulate or otherwise deal in computer hardware, computer software, computer stationery and consumables and to carry on the business of computer consultants, electronic data processing, systems analysis, software development, computer-associated and/or aided Training Programmes relating to any of the matters in the aforesaid areas and to render information and management services by setting up data banks, information centres and reference libraries.
3. To carry on the business of consultants, and advisors for Industries, Business Houses, Offices, Companies Individuals engaged in Business or Profession on all matters relating to industry management, technology, engineering, finance, investment accounting, auditing, project management, production, storage, distribution, publicity personnel, construction, tax law recruitment, marketing, imports, exports, research and computerisation of any or all of their operations.
4. To carry on the business of an investment company and to buy, underwrite, invest, acquire, hold and deal in shares, debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture stock, bonds, obligations and securities, issued or guaranteed by any Government, state, dominions, sovereign rulers, commissioners, public body or authority, supreme, municipal, local, or otherwise firm or person whether in India or elsewhere.
5. To carry on and undertake the business of hire, hire purchase, deferred payments, leasing and to finance and assist in financing lease operation of all and every kind including movable and immovable properties.

**B. OBJECTS INCIDENTAL OR ANCILLARY TO THE
ATTAINMENT OF THE MAIN OBJECTS :**

1. To acquire from any person, firm or body corporate whether in India or elsewhere technical information, know-how, processed engineering, manufacturing and operating data, plant layout and blue prints useful for the design, erection and operation plant required for any of the business of the company and acquire and grant licenses and other rights, benefits in the foregoing matters and things.
2. To arrange collaboration between any foreign party or concept and the company or any other Indian parties or to act as trustees for foreign or Indian investors and collaborators to carry out terms of the arrangements, concessions privileges or to obtain technical Knowhow, designs and other assistance and to give the benefits of such technical knowhow to others in collaboration with the company in connection with business of the company.
3. To participate in the formation, management, supervision, control of the business operations of any other Company, firm, person, the company shall not however be manager or managing agent of any other company.
4. To carry on the research and development work and also render design and engineering service in any or all branches of engineering.
5. To do all or any of the things in any part of the world principals, agents, contractors, trustees or otherwise and through trustees, agents or otherwise and either alone or conjunction with others, as may appear to be incidental conducive to the attainment of the main objects.
6. To acquire for the purpose of the company by purchase, lease, exchange or otherwise, any estates, lands, buildings and hereditaments of any tenure or description and any estate or interest therein, and any rights over or connected with land and either to retain the same for the purpose of the company's business or to turn the same to account as may seem expedient.

7. To apply for, purchase or otherwise acquire any patents, Brevets 'D' inventions, licences, concessions and like conferring any exclusive or non-exclusive or limited rights or use the same or any secret or other information, which may seem capable of being used for any of the purposes, of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the company and to use, exercise, develop or grant licences in respect of or otherwise turn to account, the property rights or information so acquired.
8. To lend money, either with or without security and generally to such persons and upon such terms and conditions as the company may think fit and also to invest the money of the company not immediately required, in such manner and from time to time as may be determined, provided that the company shall not carry on the business of banking as provided in the Banking Regulation Act, 1949.
9. To adopt such means of making known the products of the company as may seem expedient and in particular by advertising in the press, by circulars, by purchases and exhibition of works of art or interest, by granting prizes, rewards and donation, subject to the provision of the Companies Act, 1956.
10. To donate or gift in cash or kind for any national charitable, benevolent, public or useful purpose or to any institution, club, society, research association, fund university, college or any other person or body other than for political purpose.
11. To acquire and undertake all or any part of the business, property and liabilities or any person or company carrying on any business which this company is authorised to carry on or possessed or property suitable for the purpose of the company.
12. To enter into any management with any Government or authority, supreme, municipal, local or otherwise, that may seem conducive to the company's objects or any of them and to obtain from any such Government or authority all rights, concessions and privileges which the Company may think desirable to obtain and carry out, exercise and comply with any such arrangement rights, privileges and concessions.

13. To amalgamate or enter into partnership or into any arrangement for sharing profits, losses or into any union of interest, joint ventures, reciprocal concession or operation with any person or persons, company or companies carrying on or engaged in, about to carry on or engage in or being authorised to carry or engage in any business or transaction which this company is authorised to carry on.
14. To purchase, take on lease or in exchange, hire or otherwise acquire any immovable property and any rights or privilege which the company may think necessary or convenient with reference to any of these objects and capable of being profitable dealt with in connection with any of the Company's property rights for the time being.
15. To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this company.
16. To borrow, raise or secure the payment of money from banks, financial institutions, companies, firms and individuals or receive money on deposit at interest for any of the purpose the company and at such time or times and in such manner as may be thought fit and in particular by the issue of debenture stock, perpetual or otherwise including debentures or debenture stock, convertible into shares of this or any other company perpetual annuities and as security for any such money so borrowed, raised or received or of any such debentures or debenture stock so issued to mortgage, pledge or charge the whole or any part of the property, assets or revenue and profits of the company, present or future including its uncalled capital special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase redeem or pay off any such securities.
- 16A. To lend and advance with or without security or give credit to such persons, firms or companies including Group/ Associate/Subsidiary Companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of money to or by any such persons, firms or companies and generally to give guarantees and indemnities to any persons, firms or companies and others.
17. To pay all the costs, charges and expenses of and incidental in the promotion and formation, registration and establishment of this or any other company, and the issue of its capital.

18. To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this company.
19. To undertake and execute any trust, the undertaking of which may seem to the company desirable, either gratuitously or otherwise.
20. To draw, make, accept, discount, execute and issue bills of exchange promissory note, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities.
21. To distribute in specie or in kind any of the properties of the company among the members in the event of winding up of the company.
22. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal in all or any part of the property and rights of the company.
23. To send out to foreign countries, directors, employees or any other persons for investigating possibilities of any business trade or for procuring and buying any machinery or for training or studying, or carrying out research or establishing trade connection or in promoting the interests of the company and to pay all expenses incurred in this connection.
24. To purchase, take on lease or hire, import, build repair, renovate, recondition, replace, alter, improve, exchange, hire, sell or export, plant and machinery, tools, apparatus, equipment, materials, all spare parts and components capable being used in the business of the company.

C. OTHER OBJECTS NOT INCLUDED IN (A) AND (B) ABOVE :-

1. To act as project consultants and recruiting agents for personnel required for various establishments in India or abroad.
2. To carry on the business of imports and exports of all kinds of goods in accordance with the policies of the Government of India.

3. To purchase for investment or resale, and to traffic in land, house and flats and other property of any type and any interest therein, and to create, build, sell and deal in freehold and leasehold grounds, to make advances upon the security of land or house or other property, or any interest therein, and generally to deal in, traffic by way of sale, lease, exchange or otherwise with land, house property whether real or personal.
4. To carry on all or any of the business of builders and contractors, architects, decorators, merchants and dealers in stone, sand, lime, bricks, cement, timber, hardware and other building materials and to act as house agents.
5. To cultivate, grow, product or deal in any agriculture vegetable for fruit products and to carry on all or any of the business of farmers dairymen milk contractors, dairy farmers, millers, surveyors and vendors of milk and milk products, condensed milk and powdered milk, cream, cheese, butter, poultry, fruits and vegetables, cash crops and provisions of all kinds, growers of and dealers in corn, hay and straw, seedsmen and nurserymen.
6. To advance moneys to shareholders and persons having interest in the company and others upon security of and for the purpose of enabling the person borrowing the same to erect, purchase, enlarge or repair any dwelling house or business premises or to take a demise for any terms or terms of years of any freehold or leasehold property in India upon such terms as the company may think fit.
7. To acquire or set up and run schools, colleges, training and professional institutions and music, dance, painting, sculpting and fine art centres.
8. To undertake projects on turnkey basis in India or abroad and to import, export and deal in projects or sick units for the company or other parties.
9. To carry on the trades or business of manufacturers dealers, including import, export, retail and wholesale in all chemicals and related products, plastics, petrochemicals, drugs essence, cordials acids, alkalis, pharmaceutical, medicinal, chemical, industrial and

other preparations and things of any kind whatsoever, compounds, cements, oils, paints, pigments, varnishes, drugs and dealers in proprietary articles, of all kinds and of electrical, chemical, photographic, surgical and scientific apparatus and materials if any, similar or allied business of as distinct or as separate business or in financing to any of these businesses.

10. To import, export, buy, sell and otherwise deal in all kinds of drugs, pharmaceutical preparations medicines, contraceptive devices and to acquire or set up, maintain and run hospitals, clinics, diagnostic centres, nursing houses, laboratories, health resorts and home for the aged for the purpose of promoting public health, family welfare and family planning.
11. To carry on the business of printing, publishing and circulating or otherwise dealing in any daily weekly, fortnightly or monthly, newspapers, magazines house magazines, periodicals, journals or other publications.
12. To carry on the business of Advertising fine arts & for Advertising Agents.

IV. The liability of the members is limited.

V. The Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crores only) divided into 2,00,00,000 (Two crores) Equity Shares of Rs. 10/- (Rupees Ten only) each and 10,00,000/- (Ten Lacs) Redeemable preference shares of Rs. 100/- (Rupees Hundred only) each.

The company shall have power from time to time, to increase or reduce its capital. The shares forming the Capital (original, increased or reduced) of the Company may be sub-divided, consolidated or divided into such classes with any preferential, deferred qualified, special or other rights, privileges or conditions attached thereto and be held upon such terms as may be determined by the Articles of Association and regulation of the Company for the time being or otherwise."

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

Name, address Description and occupation of each subscribers	Number of Equity Shares Taken by each Subscribers	Signature of Subscriber	Name Addresses, description & occupation of witness & his Signature
P. SIVAKUMAR S/o. Mr. S. Palanivelu, 12, Chitrakulam North St., Mylapore, Madras - 600 004.	10 (Ten Equity Shares)	Sd/-	Witness to All Sd/- V. S. RAMACHANDRAN S/o. V. S. Srinivasan, 8, Second Main Road, Vengeeswarar Nagar, Madras 600 026 <u>CHARTERED ACCOUNTANT</u>
<u>S E R V I C E</u> T.S.R. MURTHI S/o. N. Subramania Iyer, 164, Mahadana Street, Mahiladuthural 609 001	10 (Ten Equity Shares)	Sd/-	
<u>B U S I N E S S</u>			
TOTAL	20 (Twenty Equity Shares)		

Date : 3rd day of March 1986, at MADRAS

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

**TWENTYFIRST CENTURY
MANAGEMENT SERVICES
LIMITED**

1. No regulations contained in Table A, in the First Schedule to the Companies Act, 1956, or in the Schedule to any previous Companies Act, shall 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 to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

Table A not to apply but Company to be governed by these Articles

INTERPRETATION

2. In the Interpretation of these Articles, unless repugnant to the subject or context :

Interpretation Clause

The name of the Company is **TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED**.

"The Company" or "This Company"

"The Act" means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force

"The Act"

"Auditors" means and includes those persons appointed as such for the time being by the Company.

"Auditors"

"Board" or "Board of Directors"	"Board or Board of Director" means a meeting of the Directors duly called and constituted, or as the case may be, the Directors assembled at the Board of Directors of the Company collectively
"Capital"	"Capital" means the share capital for the time being raised or authorised to be raised for the purpose of the Company
"Debenture"	"Debenture" includes debenture-stock.
"Directors"	"Directors" Means the Directors for the time being of the Company or, as the case may be, the Directors assembled at the Board.
"Dividend"	"Dividend" includes bonus
"Gender"	Words importing the masculine gender also include the feminine gender.
"In Writing" and "Written"	"In Writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form
"Members"	"Members" means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of the Company
"Meeting" or "General Meeting"	"Meeting" or "General Meeting" means a meeting of members.
"Annual Meeting" or "General Meeting"	"Annual General Meeting" means a General Meeting of the members held in accordance with the provisions of section 166 of the Act.
"Extraordinary General Meeting"	"Extra Ordinary General Meeting" means and Extraordinary General Meeting of the members duly called and constituted and any adjourned holding thereof.
"Month"	"Month" means a calendar month
"Office"	"Office" means the Registered Office for the time being of the Company
"Paid-up"	"Paid-up" includes credited as paid-up

"Persons" include corporations and firms as well as individuals.	"Persons"	
"Register of Members" means the Register of Members to be kept pursuant to the Act.	"Register of Members"	of
"The Registrar" means the Registrar of Companies of the State in which the Office of the Company is for the time being situate.	"The Registrar"	
"Secretary" includes a temporary or Assistant Secretary or any person or persons appointed by the Board to perform any of the duties of a Secretary.	"Secretary"	
"Seal" means the Common Seal for the time being of the Company.	"Seal"	
"Share" means share in the share capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied.	"Share"	
Words importing the singular number include, where the context admits or requires, the plural number and vice versa.	Singular Number	
"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 189 of the Act.	"Ordinary Resolution" and "Special Resolution"	
"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act.	"Year" and "Financial Year"	
The marginal notes used in these Articles shall not affect the construction hereof.		
Save as aforesaid any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning of these Articles.		

GENERAL AUTHORITY

3. Wherever in the Companies Act, 1956, it has been provided that the Company shall have any right, privilege or authority or that the Company cannot carry out any transaction, unless the Company is so authorised by its Articles, then and in that case, this

Article hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Companies Act, 1956, without there being any other specific Articles in that behalf herein provided.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Capital

4. The Authorised Share Capital of the Company is Rs.30,00,00,000/- (Rupees thirty Crores only) divided into 2,00,00,000/- (Two Crores only) Equity shares of Rs.10/- (Rupees ten only) each and 10,00,000 (Ten Lakhs) Redemable Preference Shares of Rs.100/- (Rupees hundred only) each. The Company has power, from time to time, to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the company and to vary, modify or abrogate any such manner as may for the time being be permitted by the legislative provisions for the time being in force in that behalf."

Increase of Capital by the Company, and how carried into effect.

5. The Company in General Meeting may, from time to time, by an ordinary resolution increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into share of such respective amounts as the resolution shall prescribe.

Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at General Meetings of the Company in conformity with Sections 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.

New Capital same as existing Capital.

6. Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

7. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and Conditions of redemption. "Unless the terms of issue otherwise provides the said Preference Shares shall be deemed to have been issued upon the terms that they are at the option of the Company liable to be redeemed at any time after expiration of such periods as may be fixed by the Directors at the time of issue of shares upon six months' notice being given for such purpose to the holders thereof in any manner authorised for the time being by these Articles and so that such option may be exercised in respect of the whole of such number, or numbers of shares as the Company may from time to time previously determine and ascertain by draw of lots to be made in such manner as the Board of Directors shall think fit. Such notice to be given as aforesaid shall fix place for payment of the redemption monies and delivery of the certificates relating to the shares to be redeemed and on the date fixed or redemption each shareholder whose shares are to be redeemed shall deliver to the Company the certificate for such shares in order that the same may be cancelled and from such date no dividend shall be payable in respect of such shares. If any share so drawn for redemption comprises a part only of the shares represented by any certificates, a new certificate shall be issued for the undrawn balance of such share".

**R e d e e m a b l e
Preference Shares**

7.A. "A shareholder can waive/forego the right to receive dividend (either final and/or interim) to which he is entitled, on some or all the equity shares or preference shares held by him in the Company on record date/book closure date fixed for determining the names of shareholders entitled for such dividend. However, the shareholders cannot waiver/forego the right to receive the dividend (either final/or interim) for part of the percentage of dividend on share(s).

The instruction once given by shareholder intimating his waiver/foregoing of the right to receive the dividend for any year for interim, final or both shall be irrevocable or cannot be withdrawn for that particular year for such waived/foregone the right to receive dividend. But in case, the relevant shares are sold by the same shareholder before the Record date/book closure date fixed for the payment of such dividend, the instruction once exercised by such earlier shareholder intimating his waiver/foregoing the right to receive dividend will be invalid for the next succeeding shareholder(s) unless such next succeeding shareholder(s) intimate separately in the prescribed form, about his waiving / foregoing of the right to receive the dividend for the particular year."

☆ ARTICLE 7A-APPROVED ON 22ND DECEMBER 2021, BY GENERAL MEMBERS THROUGH POSTAL BALLOT NOTICE DATED 18TH NOVEMBER 2021

8. On the issue of Redeemable Preference Shares under the provisions of Article 7 hereof the following provisions shall take effect :-

**Provisions to apply
on issue of
R e d e e m a b l e
preference Shares**

- (a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;

- (b) no such shares shall be redeemed unless they are fully paid;
- (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares redeemed;
- (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

Reduction of capital

9. The Company may, (Subject to the provisions of Sections 78, 80, 100 to 105 inclusive, of the Act) from time to time by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

Subdivision, consolidation and cancellation of shares

10. Subject to the provisions of Section 94 of the Act, the Company in General Meeting may, from time to time sub-divide or consolidate all or any of its share capital into shares of larger amount than its existing shares or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum subject nevertheless to the provisions of clause (d) of sub-section (7) of Section 94, and 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 or other. Subject as aforesaid the Company in General Meeting may also cancel shares which have not been taken or agreed be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Modification of rights.

11. If at any time the share capital, by reason of the issue of Preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act and whether or not the Company is being wound up, be varied, modified, commuted, affected or abrogated with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of that class. This Article shall not derogate from any power which the Company would have if these Article were omitted. The provisions of these Articles relating

to General Meetings shall mutatis mutandis apply to every such separate meeting, but so that if at any adjourned meeting of such holders a quorum as defined above is not present, those persons who are present shall be the quorum

SHARES AND CERTIFICATES

12. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members resident in that State or Country

Register and Index of Members

13. The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished

Share to be numbered progressively and no share to be subdivided.

14. (a) Where at any 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 unissued share capital or out of increased share capital; then such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on these shares at that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice aforesaid shall contain a statement for this right. After the expiry of the time specified in the notice aforesaid or, on receipt of earlier intimation from the person to whom such notice is given that, he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company

Further issue of Capital

- (b) Notwithstanding anything contained in the preceding sub-clause, the Company may:
- (i) by a special resolution; or
 - (ii) 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 favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by members who being entitled so to do vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by the 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;

offer further shares to any person or persons, and such person or persons may or may not include the persons who at the date of offer, are the holders of the equity shares of the Company;

- (c) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to Section 81(3) of the Act; the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company;

Shares under control of
Directors

15. (a) Subject to the provisions of these Articles and of the Act, the shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors; who may allot or otherwise dispose of the same to such persons in such proportion on such terms and conditions and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the Company either, (subject to the provisions of Sections 78 and 79 of the Act), at a premium or at par or at a discount and such option being exercisable for such time and

for such consideration as the Directors think fit. The Board shall cause to be filled the returns as to allotment provided for in Section 75 of the Act.

- (b) Subject to the provisions of the Act and these Articles the Board may allot and issue shares in the capital of the Company as payment for any property sold or transferred or for services rendered to the Company in the conduct of its business and any shares which may be so issued shall be deemed to be fully paid-up shares.

16. In addition to and without derogating from the powers for the purpose conferred on the Board under Articles 14 and 15 of the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act), at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company either, (subject to compliance with the provisions of Sections 78 and 79 of the Act), at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

Power also to company in General Meeting to issue shares

17. Any application signed by or on behalf of any applicant for shares in the Company, followed by an allotment of any share therein shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a member

Acceptance of shares.

18. The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Deposit and call etc to be a debt payable immediately.

Liability of Members

19. (a) Every member or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his shares of which may, for the time being, remain unpaid thereon in such amounts, at time or times, and in such manner as the Board shall from time to time in accordance with the Company's regulations, require or fix for the payment thereof
- (b) Share/Debenture certificates shall be issued in marketable lots and where share/debenture certificates are issued for either more or less than marketable lots, sub-division/consolidation into marketable lots shall be done free of charge "

Share Certificates

20. (a) Every member or allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares or in case of allotment without there being a letter of allotment issued by the Company". Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their Attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a managing or a Whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued indicating the date of issue
- (b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject to joint ownership, may be delivered

to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 113 of the Act.

- (c) A Director may sign share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
- (d) The Directors shall comply with the applicable Rules, Regulations and requirements of any Stock Exchange or the Rules made under the Act or the Rules made under the Securities Contracts Regulations Act, 1956 or any other Act of Rules Applicable in this behalf.

21. (a) No certificate of any share or shares shall be issued either in exchange for those which are subdivided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or where the cages on the reverse for recording transfers have been duly utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.
- (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "issued in lieu of share certificate No. sub-divided/replaced on consolidation of shares."
- (c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity as to the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.
- (d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil

Renewal of Share
Certificates.

to the effect that it is "duplicate issued in lieu of share certificate No. The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.

- (e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicating against the names of the persons to whom the certificate is issued the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.
- (f) All blank forms to be issued for issue of share certificates shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (g) The managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in sub-Article (f).
- (h) All books referred to in Sub-Article (g) shall be preserved in good order permanently.

The first named of joint-holders deemed sole holder

22. If any share stands in the names of two or more persons, the person first named in the Registers shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meeting, and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share

and for all incidents thereof according to the Company's regulations

23 Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivors of them.

Company not bound to recognise any interest in share other than that of registered holder

24 (a) Notwithstanding anything herein contained a person whose name is at anytime entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share, shall within such time and in such forms as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in the manner provided in Section 187-C of the Act;

Declaration by person not holding beneficial interest in any shares.

(b) A person who holds a beneficial interest in a share or a class of shares of the Company shall, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in Section 187-C of the Act;

(c) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall, within the time prescribed from the date of such change make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 187-C of the Act.

(d) Notwithstanding anything contained in Section 153 of the Act and Article 24 hereof, where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the

declaration a return in the prescribed form with the Registrar with regard to such declaration

Funds of Company may not be applied in purchase of shares of the Company

25. None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company save as provided by Section 77 of the Act

UNDERWRITING AND BROKERAGE

Commission may be paid.

26. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures in the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other

Brokerage

27. The Company may pay a reasonable and lawful sum for brokerage.

INTEREST OUT OF CAPITAL

Interest may be paid out of Capital.

28. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant, which cannot be made profitable for lengthy period the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant

CALLS

Directors may make calls.

29. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the members in respect of all moneys unpaid on the shares held by

them respectively and each member shall pay the amount of every call so made on him to the person or person or persons and at the time and places appointed by the Board. A call may be made payable by instalments

30. At least thirty days notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid

Notice of calls.

31. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board

Calls to date from resolution

32. A call may be revoked or postponed at the discretion of the Board.

Call may be revoked or postponed

33. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof

Liability of joint-holders

34. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension but no member shall be entitled to such extension save as a matter of grace and favour

Directors may extend time

35. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest in any such manner.

Call to carry interest.

36. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which the terms of issue of the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified

Sums deemed to be calls

37. On the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery

Proof on trial of suit for money due on shares.

of any money claimed to be due to the Company in respect of his shares it shall be sufficient to prove that the name of the member in respect whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the member or his representatives issued in pursuance of these Articles, and that it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the board at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Partial payment not to preclude forfeiture.

38. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in anticipation of calls may carry interest.

39. (a) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the member three months notice in writing; Provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits.

(b) No member paying any such sum in advance shall be entitled to voting rights in respect of the money so paid by him until the same would but for such payment become presently payable.

LIEN

40. (a) The Company shall have a first and paramount lien upon all the share (other than fully paid up shares) 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, and no equitable interest in any shares shall be created upon the footing and upon the condition that Article 23 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.
- Company to have lien on shares.
- (b) The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause

41. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as they shall think fit and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their member to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfilment, or discharge of such debts, liabilities or engagements for fourteen days after such notice

As to enforcing lien by sale.

42. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares at the date of the sale.

Application of proceeds of sale.

FORFEITURE OF SHARES

43. If any member fails to pay any call or instalment of a call on before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter during such time as the call or instalment remains unpaid,

If money payable on share not paid notice to be given to members.

give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum, which by terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Terms of notice

44. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate as the Directors shall determine from the day on which such call or instalment out to have been paid and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before that time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

In default of payment, shares to be forfeited.

45. If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

Notice of forfeiture to a member.

46. When any share shall have been so forfeited notice of the forfeitures shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

Forfeited shares to be property of the Company and may be sold etc.

47. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, reallocated or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

Members still liable to pay money owing at the time of forfeiture of and interest.

48. Any member whose shares have been forfeited shall notwithstanding the forfeiture be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the

Board may enforce the payment thereof, if it thinks fit

49 The forfeiture of a share shall involve extinction, at the time of the forfeiture of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved

Effect of forfeiture

50 A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles 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.

Evidence of forfeiture

51 Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively

Validity of sale under Articles 41 and 42

52 Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto

Cancellation of Share Certificate in respect of forfeited share

53 The Board may at any time before any share so forfeited shall have been sold, reallocated or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit

Power to annul forfeiture

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

54 The Company shall keep a Register of Transfers and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share

Register of transfer

Transfer books and Register of Members when closed.

55. The Board shall have power on giving not less than seven day's previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated to close the Transfer Books, the Register of Members or Register of Debenture holders at such time or times and for such period or periods not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year.

Form of Transfer

56. Subject to the provisions hereinafter contained, shares in the Company may be transferred by an instrument in writing in the usual common form or in such other form as shall from time to time be approved by the Directors provided that if so required by the provisions of the Act, such instrument of transfer shall be in the form prescribed and shall be duly stamped and delivered to the Company within the prescribed period.

Transfer Form to be completed and presented to the Company

57. The instrument of transfer duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by Order of the Board. The transferor shall be deemed to be the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate or certificates of the shares must be delivered to the Company.

Notice of application when to be given

58. Where in the case of partly paid shares, an application for registration of a transfer of shares is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.

Directors may refuse to register

59. Subject to the provisions of Section 111 of the Act, the Board of Directors may at their own absolute and uncontrolled discretion, and without assigning any reason, decline to register or acknowledge any transfer of shares (whether fully paid up or not and notwithstanding that the proposer transferee be already a member) but in such case it shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer. Registration of a transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other persons indebted to the Company on any account whatsoever except a lien on the shares. The Directors shall comply with the applicable rules, Regulations and requirements of any Stock

Exchange or the Rules made under the Act or the Rules made under the Securities Contracts Regulations Act, 1956 or any other Act or Rules applicable in this behalf

60 (a) On the death of a member, the survivors where the member was a joint-holder and his legal representatives where he was a sole holder, shall be the only person recognised by the Company as having any title to his interest in the shares.

Death of a member

(b) Nothing in this Article shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons

Liability of estate of deceased joint holder

61 The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators or legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India, provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate upon such terms as indemnity or otherwise as the Board in its absolute discretion thinks necessary

Title to shares of deceased member

62 (a) Any person becoming entitled to a share in consequence of the death as aforesaid and subject as herein after provided elect, either

Election by person entitled to shares of deceased member

(i) to be registered himself as holder of the shares; or

(ii) to make such transfer of the shares as the deceased member could have made.

(b) The Board shall, in either case, mentioned in sub-clause (a) have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death

Procedure on election under Article 62.	<p>63 (a) 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.</p> <p>(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the shares.</p> <p>(c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were a transfer signed by that member</p>
Receipt by and rights of legal representatives	<p>64. A person becoming entitled to a share by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonus or other monies payable in respect of the share, until the requirements of the notice have been complied with</p>
To transfer to infants etc	<p>65. No share shall be in any circumstances transferred to a minor, insolvent or a person of unsound mind.</p>
Fee on transfer or transmission	<p>66. No fees shall be charged in respect of the registration of a transfer or transmission of shares of any class or denomination in the Company.</p>
Company not liable for disregard of a notice prohibiting registration of a transfer.	<p>67. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by an apparent legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting to borrow secure</p>

the payment of any sum or sums of money for the purpose of the Company.

68. The provisions of Articles 54 to 67 shall mutatis mutandis apply to the transfer or transmission of debentures of the Company.

Transfer and
transmission of
Debentures

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

69. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Company to every member at his request within seven days of the request on payment of the sum of Rupee one for each copy.

Copies of Memo-
randum and Articles
of Association to be
sent by the
Company.

BORROWING POWERS

70. Subject to the provision of Sections 292 and 293 of the Act, the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for any purposes of the Company. Provided, however, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such monies without the consent of the Company in General Meeting.

Power to borrow

71. Subject to the provisions of Article 70 hereof, payment or repayment of monies borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Special Resolution shall prescribe including by the issue of debentures or 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 and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Payment or repay-
ment of moneys
borrowed

72. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of

Terms of issue of
Debentures

any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at general meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a Special Resolution.

Register of mortgages
etc. to be kept

73. The Board shall cause proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 118, 125, and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with, so far as they fall to be complied with by the Board

Register and index of
Debenture holders

74. The Company shall, if at any time it issues debentures, keep a Register and index of Debenture-holders in accordance with Section 152 of the Act. The Company shall have the power to keep in any State or Country outside India a branch Register of Debenture-holders resident in that State or Country

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Shares may be
converted into stock

75. The Company in General Meeting may convert any paid-up shares into stock; and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion has taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid-up shares of any denomination

Right of stock holders

76. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets of winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

MEETING OF MEMBERS

Annual General Meeting
Annual summary

77. The Company shall in each year hold a General Meeting

as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company. Not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of section 166 (1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for the time being during business hours, on a day that is not a public holiday, and shall be held at the Office of the Company or at some other place within the city in which the Office of the Company is situate as the Board may determine and the Notice calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meetings. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. (Every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts)), the Proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the meeting

78. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as at that date carried the right of voting in regard to the matter in respect of which the requisition has been made

Extraordinary
General Meeting

79. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

Requisition of
members to state
object of meeting

80. Upon receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not

On receipt of requisition, Directors to call meeting and in default requisitionists may do so

later than forty-five days from the date of deposit of the requisition the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Section 169(4) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

Meeting called by requisitionists

81. Any meeting called upon the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

Twenty one day's notice of meeting to be given.

82. Twenty-one days' notice at least of every General Meeting, Annual or Extraordinary, and by whatsoever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in case of any other meeting, with the consent of members holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than (i) the consideration of the Accounts, Balance Sheets and Reports of the Board of Directors (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring, (iv) the appointment of, and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other meeting in any event there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein every Director, and the Manager (if any). Where any such item of special business relates to, or affects any other company, the extent of shareholding interest in other company of every Director, and the Manager, if any, of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than 10 per cent of the paid-up share capital of that other company. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Omission to give notice not to invalidate a resolution passed.

83. The accidental omission to give notice to, or the non-receipt of notice by, any member or other person to whom it should

be given shall not invalidate the proceedings at any such meeting

84. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened

Meeting not to transact business not mentioned in notice

85. Five members present in person shall be a quorum for a General Meeting.

Quorum at General meeting

86. A Body Corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act

Body Corporate deemed to be personally present

87. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day and at such other time and place in the city or town in which the Office of the Company is for the time being situate, as the Board may determine, and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called

If quorum not present meeting to be dissolved or adjourned

88. The Chairman (if any) of the Directors shall be entitled to take the Chair at every General Meeting whether Annual or Extraordinary. If there be no such Chairman of the Directors, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take Chair then the members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall elect one of their member to be Chairman

Chairman of General Meeting

89. No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is vacant.

Business confined to election of chairman whilst Chair vacant

90. The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than

Chairman with consent may adjourn meeting

the business left unfinished at the meeting from which the adjournment took place

Questions at General Meeting how decided

91. 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 declaration of the result of the show of hands) demanded by at least five members having the right to vote on the resolution and present in person or by proxy, or by the Chairman of the meeting or by any member or members holding not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid-up which is not less than one-tenth of the total sum paid-up on all shares conferring that right, and unless a poll is demanded, a declaration by the Chairman that a resolution has on a show of hands, been carried or carried unanimously, or by a particular majority or lost, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

Chairman's casting vote

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

Poll to be taken, if demanded.

93. If a poll is demanded as aforesaid the same shall subject to Article 95 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Scrutineers at poll.

94. Where a poll is to be taken the Chairman of the meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a member, (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in

the office of scrutineer arising from such removal or from any other cause

95 Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting forthwith

In what case poll taken without adjournment.

96 The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded

Demand for poll not to prevent transaction of other business

VOTES OF MEMBERS

97 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 shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right to lien.

Members in arrears not to vote

98 Subject to the provisions of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares 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 and to speak and vote at such meeting and on a show of hands every member 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 the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

Number of votes of which members entitled

99 On a poll taken at a meeting of the Company a member entitled to more than one vote, or his proxy or other person entitled to vote for him as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

Casting of votes by a member entitled to more than one vote

100 A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian, and any such committee or guardian may,

How member non-composment is and minor may vote.

on poll vote by proxy, if any member be a minor the vote in respect of his share or shares shall be by his guardian, or anyone of his guardian, if more than one to be selected in case of dispute by the chairman of the meeting.

Votes of joint members

101. If there be joint registered holders of any shares, anyone for 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 thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of the said persons so present whose name stands higher in 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 administrators of a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.

Voting in person or by proxy.

102. Subject to the provisions of these Articles votes may be given either personally or by proxy. A Body Corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act and such representative 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.

Votes in respect of shares deceased and insolvent members.

103. Any person entitled under Article 65 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Appointment of proxy

104. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a Body Corporate under the Common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.

Proxy either for specified meeting or for a period

105. An instrument of proxy may either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the

Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting

106. A member present by proxy shall be entitled to vote only on a poll

Proxy to vote only on a poll

107. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument or proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution

Deposit of instrument of appointment

108. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act

Form of proxy

109. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting.

Validity of votes given by proxy notwithstanding death of member.

110. No objection shall be made to the validity of any vote, except at any 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 poll shall be deemed valid for all purposes of such meeting or poll whatsoever

Time for objections of votes

111. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Chairman of the meeting to be the judge of validity of any vote.

MINUTES OF MEETINGS

112. (1) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered

Minutes of General Meeting and inspection thereof by members

- (2) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorised by the Board for the purpose.
- (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat
- (5) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meeting
- (6) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting (a) is or could reasonably be regarded as defamatory of any person or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes of the aforesaid grounds
- (7) Any such minutes shall be evidence of the proceedings recorded therein
- (8) The book containing the minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any member without charge
- (9) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf to the Company, with a copy of any minutes of any General Meeting on payment of thirty seven paise for every one hundred words or fractional part thereof required to be copied.

DIRECTORS

113. (1) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors (including Debentures and alternate Directors) shall not be less than three nor more than twelve. Number of Directors.

(2) The First Directors of the Company shall be First Directors.

1. SHRI. T.S.R. MURTHI
2. SHRI. P. SIVAKUMAR

Note - So long as Shri Sundar Iyer, Director, alongwith his relatives and bodies corporate owned and controlled by him together hold not less than 20% (Twenty percent) or more of the paid-up Equity Share Capital of the company, from time to time, notwithstanding anything contained in any other clause in the Articles of Association or, Shri Sundar Iyer or his nominee or a person duly authorised by him shall have the right to nominate upto the maximum of three persons as Director or Directors on the Board of the Company and to remove such person or persons from the Board of the Company and nominate other or others in their place and the Company and the Board of Directors shall be bound by such nomination. Such nominee Director would not be liable to retire by rotation. If at any time the total number of the nominee Directors is more than one-third of the total member of Directors, of the Company, the nominee Directors who shall not retire shall be determined by and in accordance with their respective seniorities and the seniorities of the nominee Directors shall be determined by the dates of their appointment as nominee Directors by Shri Sundar Iyer

114. In case the Company obtains any loans/other facilities from financial institutions and it is a term thereof that the said financial institutions shall have a right to nominate one or more Directors, then subject to such terms and conditions, the said financial institution shall be entitled to nominate one or more Directors, as the case may be, on the Board of Directors of the Company and to remove from office any such Director so appointed and to nominate another in his place or in place of the Director so appointed who resigns or otherwise Nominee Director of financial Institutions.

vacates his offices. Any Director or Directors so nominated shall not be required to hold any qualification shares and shall not be liable to retire by rotation. Any such nomination or removal shall be made in writing and by a resolution of the Board of Directors of such financial institutions and shall be signed by the said financial institutions or by any person duly authorised by it and shall be served at the Office of the Company. Provided that the right to appoint non-rotational Directors shall be limited to the Industrial Credit and Investment Corporation of India, the Industrial Finance Corporation, a State Financial Corporation or any Financial Institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more them or by Central Government or State Government by themselves.

115. Whenever Directors enter into a contract with any Government, Central, State or Local, and bank or financial institution or any body corporate, person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any arrangement whatsoever, the Directors shall have, subject to the provisions of Section 255 of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation. The Directors may also agree that any such Director or Directors may not be liable to retire by rotation. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any director or directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

Debenture Directors.

116. It is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by

the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.

117. The Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to that State. If the term of office of the Original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director

Appointment of Alternate Director.

118. Subject to the provisions of Section 260, and 264, the Board shall have power at anytime and from time to time to appoint any other qualified person to be an Additional Director but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 113. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.

Directors power to add to the Board.

119. Subject to the provisions of Sections 216, 264 and 284 (6) the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

Casual Directors power to fill vacancies.

120. A Director shall not be required to hold any qualification shares.

Qualification of Directors.

121. (1) Subject to the provisions of the Act, a Managing Director or Director, who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at specified percentage of the net profits of the Company or partly by one way and partly by the other

Remuneration of Directors.

(2) Subject to the provisions of the Act, a Director who is neither in whole-time employment nor a Managing Director may be paid remuneration either

- (i) by way of monthly, quarterly or annual payment with the approval of the Central Government or.

- (3) The fee payable to a Director (including Chairman / Managing or whole time Director, if any) for attending a meeting of the Board of Committee thereof, shall be fixed by the Board of Directors, subject to the overall limit as may be prescribed by the Central Government, from time to time

Travelling expenses incurred by Director not & bonafide resident or by director going out on company's business.

122. The Board may allow and pay to any Director, who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for travelling, 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 or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.

Directors may act notwithstanding any vacancy.

123. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the maximum number fixed by Article 113 here of the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting, but for no other purpose.

When office of Directors to become vacant.

124. Subject to Sections 283(2) and 314 of the Act, the office of a Director shall become vacant if.

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applies to be adjudicated an insolvent; or
- (c) he is adjudged an insolvent. or
- (d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the date fixed for the payment of such call unless the Central Government has by notification in the Official Gazette remove the disqualification incurred by such failure; or

- (e) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without leave of absence from the Board; or
 - (f) he becomes disqualified by an order of the Court under Section 203 of the Act; or
 - (g) he is removed in pursuance of Section 284; or
 - (h) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is partner or any private company of which he is a Director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or
 - (i) he acts in contravention of Section 299 of the Act; or
 - (j) he is convicted by a Court of an offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
 - (k) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
 - (l) he resigns his office by a notice in writing addressed to the Company.
- 125 (1) A Director or his relative, firm in which such Director or relative is a partner, or any other partner in such firm or a private company of which the Director is a member or Director may enter into any contract with the Company for the sale, purchase or supply of any goods, materials, or services or for underwriting the subscription of any shares in, or debentures of the Company, provided that in the case of the Company having a paid up capital of not less than Rupees One Crore, no such contract shall be entered into except with the previous approval of the Central Government and the sanction of the Board shall be

Director may contract with Company

obtained before or within three months of the date on which the contract is entered into in accordance with Section 207 of the Act. Provided further that no such contract shall be entered into except with the previous approval of the Central Government as may be required under the provisions of Section 297 of the said Act.

- (2) No sanction shall, however, be necessary for
- (a) any purchase of goods and materials from the Company, or the sale of goods or materials to the company, by any such Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
 - (b) any Contract or contracts between the company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private company, as the case may be, regularly trades or does business, where the value of the goods and materials or the cost of such services does not exceed Rs.5,000/- in the aggregate in any year comprised in the period of the contract or contracts. Provided that in the circumstances of urgent necessity, a Director, relative, firm, partner or private Company as aforesaid may without obtaining the consent of the Board enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or the cost of such services exceeds Rs.5,000/- in the aggregate in any year comprised in the period of the contract if the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into

Disclosure of Interest

126. A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or

to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 (2) of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share capital in any such other company.

127. A General Notice given to the Board by the Director, to the effect that he is a Director or member of a specified Body Corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with the Body Corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given

General notice of Interest

128. No Director shall as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; Provided, however, that nothing herein contained shall apply to

Interested Directors not to participate or vote in board's proceedings

- (a) any contract of indemnity against any loss which the Directors or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company
- (b) 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 consists solely of
 - (i) in his being;

- (a) a Director of such company, and
- (b) the holder of not more than share of such number 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.

or

- (ii) in his being a member holding not more than 2 per cent of its paid up share capital.

Register of contracts in which Directors are interested.

129. The Company shall keep a Register in accordance with Section 301 (1) and shall within the time specified in Section 301 (2) enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the Bodies Corporate and firms of which notice has been given by him under Article 126. The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof as may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of section 163 of the Act, shall apply accordingly.

Directors may be Directors of companies promoted by the Company.

130. A Director may be or become a Director of any company promoted by the Company, or in which he may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 309(6) or Section 314 of the Act may be applicable.

Retirement and rotation of Directors.

131. At every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire

Ascertainment of directors retiring by rotation and filling of vacancies.

132. Subject to Section 256(2) of the Act the Director to retire by rotation under Article 130 at every Annual General Meeting shall

be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.

133. A retiring Director shall be eligible for re-election.

Eligibility for re-election.

134. Subject to Sections 258 and 261 of the Act, the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

Company to appoint successors

135. (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.

Provision in default of appointment

(b) If at 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 the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless :-

- (i) at the meeting or at the previous meeting resolution for the reappointment of such Director has been put to the meeting and lost ;
- (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed.
- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of Act, or
- (v) the proviso to sub-section (2) of Section 263 of the Act is applicable to the case.

136. Subject to Section 250 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number

Company may increase or reduce the number of Directors.

of Directors, and may alter their qualifications and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

Notice of candidate for office of Director except in certain cases

137. (1) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the Office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office.
- (2) Every person other than a Director retiring by rotation or otherwise or a person who has left at the Office of the Company a notice under Section 257 of the Act, signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
- (3) A person (other than a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or reappointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company, unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

Register of Directors etc. and notification of change to Registrar.

138. (a) The Company shall keep at its Office a Register containing the particulars of its Directors, Managing Agents, Managers, Secretaries, and other persons mentioned in Section 303 of the Act, and shall otherwise comply with the provisions of the said Section in all respects

Register of shares or debentures held by Directors.

- (b) The Company shall in respect of each of its Directors also keep at its office a Register as required by

Section 307 of the Act and shall otherwise duly comply with the provisions of the said Section in all respects.

- 139 (a) Every Director (including a person deemed to be a Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act) Managing Director, Manager, or Secretary of the Company shall within twenty days of his appointment to any of the offices in any other Body Corporate, disclose to the Company the particulars relating to his office in the other Body Corporate which are required to be specified under sub-section (1) of Section 303 of the Act.

Disclosure by Director of appointment to any other body corporate

- (b) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section.

Disclosure by Director of his holding of shares and debentures of the company etc.

MANAGING DIRECTOR AND WHOLE TIME DIRECTOR

140. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its number as Managing Director or Managing Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of Article 140 the Board may by resolution vest in such Managing Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director may be by way of monthly payment, fee for each meeting or participation in profits, or by any or any these modes or any other mode not expressly prohibited by the Act.

Board may appoint Managing Director or Managing Directors.

141. The Managing Director or Managing Directors shall not exercise the powers to .

Restrictions on Management

- (a) make calls on shareholders in respect of money unpaid on the shares in the Company;
- (b) issue debentures

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 debentures,
- (d) invest the funds of the Company; and
- (e) make loans.

Whole-time Director.

141. (a) The Board of Directors may from time to time appoint any person or persons as Whole-time Director or Whole-time Directors either for fixed term or without any limitation as to the period for which he or they is or are to hold such office and may from time to time (subject to the provisions of any contract between him or them and the company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

Certain persons not to be appointed Managing Directors.

142. The Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing or Whole-time Director who:

- (a) is an undischarged insolvent, or has at any time been adjudged an 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.

Special position of Managing Director.

143. A Managing Director shall not while he continues to hold that office be subject to retirement by rotation, in accordance with Article 130. If he ceases to hold the office of Director he shall ipso facto and immediately cease to be Managing Director.

MANAGER

Manager

144. Subject to the provisions of Section 386 of the Act, the Directors may from time to time appoint an individual as Manager of the Company and may confer upon the Manager so appointed any powers as are not by any Act or by these presents required to be

exercised by the Board on such terms and conditions and with such restrictions as they may think fit, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

The Directors may also from time to time, subject to the provisions of Sections 198 and 307 of the Act, fix the remuneration payable to such Manager. The remuneration may either be by way of monthly payment, or by way of specified percentage of net profits, or partly by one or partly by the other.

PROCEEDINGS OF THE BOARD OF DIRECTORS

145. The Directors may meet together as a Board for the despatch of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

Meeting of Directors

146. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address in India, to every other Director.

Notice of Meetings

147. Subject to Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds or the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time.

Quorum

148. If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned to such other date and time (if any) as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.

Adjournment of meeting for want of quorum

149. The Secretary shall, as and when directed by the Directors to do so, convene a meeting of the Board by giving a notice in writing to every other Director.

When meeting to be convened

150. The Directors may from time to time elect from among their member a Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within fifteen minutes after the time appointed for

Chairman

holding the same, the Directors present may choose the Chairman

Questions at Board
Meetings how decided.

151. Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman shall have a second or a casting vote.

Board Meetings
powers of.

152. 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 which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.

Directors may appoint
Committee.

153. Subject to the restrictions contained in Section 292 of the Act the Board may delegate any of their powers to Committee of the Board consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

Meetings of Committee
how to be governed.

154. The meeting and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and not superseded by any regulations made by the Directors under the last preceding Article.

Resolution by
circulation.

155. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the board or Committee, as the case may be), and to all other Directors or Members of the Committee at their usual addresses in India, and has been approved by such of the Directors or members of the committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

Acts of Board or
committee not valid
notwithstanding informal
appointment.

156. All acts done by any meeting, of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was

some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been only appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated, provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated

157. (1) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered
- (2) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of every meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting
- (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise
- (4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting
- (6) The minutes shall also contain :
- (a) the names of the Directors present at the meeting
- and
- (b) in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from, or not concurring in the resolution

Minutes of pro-
ceedings of Meeting
of the Board

(7) Nothing contained in sub-clauses (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter, which, in the opinion of the Chairman of the meeting :

(a) is, or could reasonably be regarded as defamatory of any person;

(b) is irrelevant or immaterial to the proceedings;

(c) is detrimental to the interests of the Company.

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

(8) Minutes of meetings kept in accordance with aforesaid provisions shall be evidence of the proceedings recorded therein

POWERS OF DIRECTORS

Power of Directors.

158. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles to the provisions of the Act, or any other 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 the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not except with the consent of the Company in General Meeting.

(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole or substantially the whole, of any such undertaking.

(b) remit, or give time for the repayment of, any debt due by a Director;

(c) invest otherwise than in trust securities the amount

such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

- (23) From time to time to make, vary and repeal by-laws for the regulations of the business of the company its officers and servants.

MANAGEMENT

160. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel, namely :

Prohibition of simultaneous appointment of different categories of managerial personnel.

- (a) Managing Director, and

- (b) Manager

THE SECRETARY

161. The Directors may from time to time appoint a Secretary, and at their discretion, remove any such Secretary to perform any functions, which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also appoint at any time any person or persons (who need not be the Secretary) to keep the registers required to be kept by the Company. Provided that if the paid-up capital of the Company shall exceed Rs 25 Lacs, then in such event, the Company shall appoint a Whole-time Secretary as provided in Section 383-A of the Act, and he shall possess such qualifications as may be prescribed from time to time by the rules made under the said Section.

Secretary

162. (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

The Seal, its custody and use.

- (b) The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

Deeds how executed.

163. Every deed or other instrument to which the Seal of the Company is required to be affixed, shall, unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose, provided that in respect of the Share Certificate the Seal shall be affixed in accordance with Article 20 (a).

DIVIDENDS

Division of profits.

164. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid-up or credited as paid-up on the shares held by them respectively.

The Company in General Meeting may declare a dividend.

165. The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

Dividends only to be paid out profits.

166. No dividend shall be declared or paid otherwise by the Company for any financial year out of profits for that year arrived at after providing for depreciation accordance with the provisions of Section for that year as may be prescribed or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining underbuted or out of both provided that :

- (a) If the Company not provided for depreciation for any previous financial year or years it shall before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other financial year or years
- (b) If the Company has incurred any loss in any previous financial year or years the amount of loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of

sub-section (2) of Section 205 of the Act or against both

167. The Board may, from time to time, pay to the members such interim dividend as in their judgement the position of the Company justifies.

Interim dividend

168. Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

Capital paid up in advance at interest not to earn dividend

169. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly

Dividends in proportion to amount paid-up

170. The Board may transfer the dividends payable upon shares in respect of which any person is, under Article 62 entitled to become a member, or which any person under that Article is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same, subject to the provisions of the Companies Act, 1956 and as provided for in Article 174

Retention of dividends until completion of transfer under Article 64.

171. Anyone or several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.

Dividend etc. to joint-holders

172. No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons; and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company

No member to receive dividend whilst indebted to the Company and Company's right of reimbursement thereof

173. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer

Transfer of shares must be registered.

174. Unless otherwise directed any dividend may be paid by cheque or warrant or by a payslip or receipt having the force of a cheque or warrant sent through the post to the registered

Dividend how remitted.

address of the member or person entitled or in case of joint-holders to that one of them first named in the register in respect of the joint holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means.

Unpaid dividend.

175. (a) If the Company has declared a dividend, but which has not been paid within 42 days from the date of declaration to any shareholder, entitled to the payment of the dividend the Company shall within 7 days from the date of the expiry of the said period of 42 days open a special account in that behalf in any scheduled bank called the unpaid dividend account of the Company.

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

No interest on dividend.

176. No unpaid dividend shall bear interest as against the Company, subject to the provisions of the Companies Act, 1956.

Dividend and call together.

177. Any General Meeting declaring a dividend may on the recommendation of the Directors 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 payable to him and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the member, be set off against the calls.

Capitalisation.

178. (a) The Company in General Meeting, on recommendation of the Directors, may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the Share Premium Account) be capitalised and distributed

amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debenture stock of the Company which shall be distributed accordingly or in towards payment of the uncalled liability on any issued shares or debentures or debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares.

- (b) A General Meeting, on recommendation of the Directors, may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income-tax be distributed among the members on the footing that they receive the same as capital.
- (c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of less value than Rs.10 may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite, a proper contract shall be

delivered to the registrar for registration in accordance with Section 75 of the Companies Act, 1956 and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

ACCOUNTS

Directors to keep true accounts.

179. The Company shall keep at the office or at such other place in India as the Board thinks fit proper Books of Account in accordance with Section 209 of the Act, with respect to :

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place :
- (b) all sales and purchases of goods by the Company.
- (c) the assets and liabilities of the Company.

Where the Board decides to keep all or any of the Books of Account at any place other than the office of the Company, 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.

The Company shall preserve in good order the Books of Account relating to a period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.

Where the Company has branch office, whether in or outside India, the Company shall be deemed to have complied with this Article, if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns, made upto date, at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's Book of Account are kept aforesaid.

The Books of Account shall give a true and fair view of the state of the affairs of the Company or branch office as the case may be, and explain its transactions. The Books of Account and other books and papers shall be open to inspection by any Director during business hours.

180. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any accounts or books or documents of the Company except as conferred by law or authorised by the Board.

As to inspection of accounts or books by members

181. The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Accounts and Reports as are required by these sections.

Statement of Account to be furnished to General Members.

182. A copy of every such Profit and Loss Account and Balance Sheet (including the Auditor's Report and every other document required by law to be annexed or attached to the Balance Sheet), shall at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, to holders of debentures issued by the Company (not being debentures which ex-facie are payable to the bearer thereof), to trustees for the holders of such debentures and to all persons entitled to receive notice of General Meetings of the Company.

Copies shall be sent to each member

183. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 233 of the Act

Accounts to be audited.

184. The First Auditor or Auditors of the Company shall be appointed by the Board within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the First Annual General Meeting, provided that the Company may, at a General Meeting remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the Meeting provided further that if the Board fails to exercise its powers under this Article, the Company in General Meeting may appoint the first Auditor or Auditors.

First Auditor or Auditors.

DOCUMENTS AND NOTICES

185. (1) A document or notice may be served or given by the Company on any member either personally or by sending it by post to him to his registered address

Service of documents or notices on Members by Company

or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him.

- (2) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices 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 or notice 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 in the case of a Notice of a meeting at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

By Advertisement.

186. A document or notice advertised in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company an address within India for serving of documents on or sending of notice to him.

On joint-holders.

187. A document or notice may be served or given by the Company on or to the joint-holder of a share by serving or giving the document or on or to the joint-holder named first in the Register of Members in respect of the share.

On personal representative etc.

188. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in prepaid letter addressed to them by name or by the title or representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or until such an address has been so supplied by serving the document or notice in any manner in

which the same might have been given if the death or insolvency had not occurred.

189. Documents or notice of every General Meeting shall be served or given in same manner hereinbefore authorised on or to (a) every member, (b) every person entitled to share in consequence of the death or insolvency of a member, and (c) the Auditor or Auditors for the time being of the Company.

To whom documents or notice must be served or given.

190. Every person who, by operation of law, transfers or by means whatsoever, shall become entitled to any share, shall be bound by every document or a notice in respect of such share, which previously to his name and address being entered on the register of members, shall have been duly served on or given to the person from whom he derives his title to such shares.

Members bound by documents or notice served on or given to previous holder.

191. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written printed or lithographed.

Documents of notice by Company and signature thereto.

192. All documents or notices to be served or given by members on or to the Company or any officer thereof shall be served or given by sending it to the Company or officer at the Office by post under a certificate of posting or by registered post, or by leaving it at the office

Service of documents or notice by members.

WINDING UP

193. The Liquidator on any winding up (whether voluntary, under supervision or compulsory) may, with sanction of a Special Resolution but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit.

Liquidator may divide assets in specie.

INDEMNITY AND RESPONSIBILITY

194. Every Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act, in which relief is granted to him by the Court.

Director and others right of indemnity.

SECRECY CLAUSE

Secrecy Clause

195. (a) Every Director, Manager, Auditor, Treasurer, 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 Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (b) No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.
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