

ARTICLES OF ASSOCIATION

OF

MALABAR CEMENTS LIMITED

Table 'A' not to apply

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

INTERPRETATION CLAUSE

Interpretation

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

“The Act” or “Companies Act”

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

“The Board” or “The Board of Directors”

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

- “The Company” or “This Company”
- c. “The Company” or “This Company” means
MALABAR CEMENTS LIMITED.
“Directors”
- d. “Directors” means the Directors including Alternate Directors for the time being
of the Company whether in meeting assembled or not.
“Governor”
- e. “Governor” means the Governor of Kerala State.
In writing”
- f. “In Writing” includes printing, lithography, type-writing and any other usual
substitute for writing.
“Members”
- g. “Members” means Members of the Company holding a share or shares of any
class.
“Month”
- h. “Month” means a Calendar month.
“Paid-up”
- i. “Paid-up” shall include “credited as paid-up”
“Person”
- j. “Person” shall include any Corporation or Company as well as individuals,
“These presents” or “These Regulations” or “These Articles”
- k. “These presents” or “These Regulations” or “These Articles” shall mean these
Articles of Association as now framed or altered from time to time and shall
include the Memorandum where the context so requires.
“The Register”
- l. “The Register” means the Register of Members kept as required by Section 150 of
the Act.
“The Seal”
- m. “The Seal” means the Common Seal for the time being of the Company.
“Section”
- n. “Sec.” Or “Section” means Section of the Act.
Special Resolution”
- o. “Special Resolution” shall have the meaning assigned thereto by section 189 of
the Act.
“Words”
- p. Words importing the masculine gender shall include the feminine gender and vice
versa.
- q. Except where the context otherwise requires, words importing the singular shall
include the plural and vice versa.

CAPITAL

Share Capital

3. The share Capital of the Company be and is hereby increased to Rs. 28 Crores* divided into 28,00,000 equity shares of Rs.100/-each and that Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company be and are hereby amended to the above extent”.

***(Passed in the Extra-ordinary General Meeting held on 29-12-92)**

Prohibition of investments of funds in Company's own shares

4. Except as provided by Section 77 of the Act, no part of funds of the Company shall be employed in the purchase of the shares of the Company and the Company shall not give whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person or for any shares in the Company.

Allotment of Shares

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

Further issue of capital

6. The Board may, at any time, increase the subscribed capital of the Company by issue of new shares out of the unissued part of the share capital in the original or subsequently created capital, but subject to the following provisions, namely:

a. Where the offer and allotment of such shares are made within two years from the date of the incorporation of the Company or within one year from the first allotment of shares made after its incorporation, whichever is earlier, the Board shall be at liberty to offer the shares and allot the same to any person or persons at their discretion.

b. In respect of offers and allotments made subsequent to the date set out in clause (a) above, the Directors shall subject to the provisions of Section 81 of the Act, and sub-clause (c) hereunder observe the following conditions:

1. Such new 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 those shares at that date:

2. The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty one days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
 3. The offer aforesaid 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 referred to in Clause (2) shall contain a statement of this right.
 4. After the expiry of the time specified in the notice aforesaid, or 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 it thinks most beneficial to the Company.
- c. The Directors may with the sanction of the Company in General Meeting offer and allot shares to any person at their discretion provided that such sanction is accorded either by:
1. a special resolution passed at any General Meeting, or
 2. by an ordinary resolution passed at a General Meeting by majority of the votes cast with the approval of the Central Government in accordance with Section 81 of the Act.
- d. Nothing in this clause shall apply:
- to the increase of the subscribed capital of the company caused by the exercise of an option attached to debentures issued or loans raised by the Company.
- i to convert such debentures or loans into shares in the Company, or
 - ii to subscribe for shares in the Company: provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term.
1. has been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans; and also
 2. either has been approved by the Central Government before the issue of the debentures on the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.

Power to issue shares of different classes

7. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any shares in the Company may be issued with such preferred, or other special rights or such restrictions, whether in regard to dividend, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine.

Power of General Meeting to offer shares to such persons as the Company may resolve.

8. In addition to and without derogating from the powers for that purpose conferred on the Board under Article 6, the Company, by a special resolution in General Meeting, may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportions and on such terms and conditions and either at a premium, or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount as such General Meeting shall determine, and shall have full power to give to any persons (Whether members or holders of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par, or (subject to compliance with the provisions of Section 79 of the Act) at a discount, such option being exercisable at such times and for consideration as may be directed by such General Meeting, or the Company in General Meeting, may make any other provisions whatsoever for the issue, allotment or disposal of any shares.

PREFERENCE SHARES

9. (a) Subject to the provisions of Section 80 of the Act, any preference shares when authorized may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, redeemed on such terms and in such manner as the Company, before the issue of the shares, may determine.

(b) The Board may, at its discretion, convert the unissued Equity Shares into Preference shares or /redeemable preference shares and vice versa and the Board may issue any part or parts of the unissued shares upon such terms and conditions and with such rights and privileges annexed thereto as the Board at its discretion and Subject to the provisions of Section 86 to 89 of the Act thinks fit and in particular may issue such shares with such preferential or qualified rights to dividends and in the distribution of the assets of the Company as the Board may, subject to the aforesaid Section, determine.

(c) The Board may at its discretion issue any portion of the preference shares not already issued, as Redeemable Preference Shares which are at the option of the Company liable to be redeemed and subject to the provisions of Section 80 of the Act, on such terms as to dividends, preferential payment or return of the amount paid-up thereon and as to conditions and terms of redemption as the Directors may deem fit.

Variation of rights.

10. The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class. To every such separate meeting, the provisions of these Articles relating to General Meeting shall *mutatis, mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.

Issue of further shares *pari passu* shall not affect the right of shares already issued

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

No issue with disproportionate rights

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

Power to pay commission

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

Trust not recognized

14. Save as otherwise provided by these Articles the Company shall be entitled to treat the registered holder of any shares or debentures as the absolute owner thereof and accordingly the Company shall not, except as ordered by a court of competent jurisdiction or by the Statute required, be bound to recognize any equitable, contingent

future or partial interest, lien, pledge or charge in any shares or debentures or (except only as by these presents otherwise provided for, any other right in respect of any share or debenture except an absolute right to the entirety thereof in the registered holder.

Issue of shares other than for cash

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

Acceptance of shares

16. An application signed by or on behalf of the applicant for shares in the Company followed by an allotment of any shares therein shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose names is in the Register shall for the purpose of these Articles be a member.

SHARE AND DEBENTURE CERTIFICATES

Right to certificate

17. (1) Every person whose name is entered as a member in the register shall be entitled to receive without payment;

- a) One Certificate for all his shares; or
- b) Where the shares so allotted at any one time exceed the number of shares fixed as market lot in accordance with usages of the Stock Exchange, at the request of the shareholder, several Certificates one each per marketable lot and one for the balance.

(2) The Company shall, within three months after the allotment of any of its shares, or debentures and within two months after the application for the registration of the transfer of any such shares or debentures complete and have ready for delivery the certificate of all shares or debentures so allotted or transferred unless the conditions of issue of shares or debentures otherwise provide. The expression “transfer” for the purpose of this sub-clause means sub-clause means a transfer duly stamped and otherwise valid, and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.

Certificate to be under seal

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

Certificate of joint holders

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

Endorsement of transfer

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

Renewal of Certificate

21. If a Certificate be old, worn out, defaced, destroyed or lost it shall, if required be replaced by a new certificate on payment of fee, not exceeding Rupee one, if so required by the Board, provided however that such new certificate shall not be granted except upon delivery of the worn out or defaced used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out-of pocket expenses as the Board may require in the case of the certificate having being defaced, destroyed or lost any renewed certificate shall be marked as such.

Splitting and Consolidating of share certificate

22. Any registered holder of the shares being in possession of any share Certificate or Share certificates for the time being, may surrender such Share Certificate or Certificates to the Company and apply to the Company for the issue of two or more fresh share certificates comprising the same shares bearing the same distinctive members as were comprised in the said certificates and in such separate lots as he may desire, in lieu of and in cancellation of such share certificate so surrendered or for the consolidation of the shares comprised in such surrendered certificates into one certificate and the Directors may in lieu of and in cancellation of certificates so surrendered issue one or more such share certificates, as the case may be in the name of the person or persons in whose name the original certificates stood and the new certificates so issued shall be delivered to the person who surrendered the original certificates or to his order. No fee shall be charged for sub-division or consolidation of share certificate into market lots and where share

certificates are issued for either more or less than market lots, sub-division or consolidation should be done free of cost.

Issue of certificates

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

CALL ON SHARES

Calls

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

Length of Notice of call

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

Sum payable in fixed instalments to be deemed calls

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

When instalment on calls payable

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

Interest on sums payable at fixed time

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

Payment of call in advance

29. The Board may, if they think fit, receive from any member willing to advance all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advanced may (until the same would, but for such advance becomes presently payable) pay interest at such rate as the Board may decide but shall not in respect of such advances confer a right to the dividend or to participate in profits or to any voting rights.

Partial payment not to preclude forfeiture

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

Persons by whom instalments are payments are payable

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

Liability of joint holders of shares

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

LIEN

Company's lien on shares

33. The Company shall have a first and paramount lien upon all shares other than fully paid up shares registered in the name of any member, either alone or jointly or with any other person and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from

time to time declared in respect of such shares. But the Board at any time may declare any shares to be exempt, wholly, or partially, from the provisions of the Article.

Enforcing of lien by sale

34. For the purpose of enforcing the lien, under Article 33 above the Board may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until the expiration, of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists or is presently payable has been given to the registered holder of the shares for the time being or to the person entitled to the shares by reason of the death or insolvency of the registered holder.

Authority to transfer

35. To give effect to a sale, under Article 34 above the Board may authorize any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

Application of proceeds of sale

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

FORFEITURE OF SHARES

If call or instalment not paid, notice may be given.

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

Form of notice

38. The Notice aforesaid shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

If notice not complied with, shares may be forfeited

39. If requirements of any such notice as aforementioned are not complied with, any share in respect of which the notice has been given may, at any time thereafter before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Surrender of shares

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

Board's right to disposal of forfeited shares or cancellation of forfeiture

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

Liability after forfeiture

42. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares; but shall, notwithstanding the forfeiture remain liable to pay and shall forthwith pay to the Company all moneys which at the date of forfeiture were presently payable by him to the company in respect of the shares whether such claim be barred by limitation on the date of forfeiture or not, but his liability shall cease if and when the Company received full payment in all such moneys in respect of the shares.

Declaration of forfeiture

43. A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to shares, and that declaration and the receipt of the Company for the consideration, if any, given for the share on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale or disposal of the share.

Non-payment of sums payable at fixed times

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

TRANSFER AND TRANSMISSION OF SHARES

Transfer of Shares

45. (1) Shares in the Company shall be transferred by an instrument in writing in the form prescribed under Section 108 of the Act.

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

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

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

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

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

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

Transfer to infants, insolvents and persons of unsound mind

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

Board's right to refuse to register

47. 1. The Board may at any time in their absolute discretion and without assigning any reason decline to register any transfer of shares, whether fully paid up or not and whether the transferee is a member of the Company or not and may also decline to register any transfer of shares, on which the Company has a lien.

2. If the Board refuse to register any transfer or transmission of right, they shall within two months from the date on which the instrument of transfer or the intimation of such transmission was delivered to the Company send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.

3. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 111 of the Act.

4. Provided that the registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.

5. The provisions of this clause shall apply to transfers of stock also.

Endorsement of transfer and issue of Certificate

48. Every endorsements upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some other person for the time being duly authorized by the Board in that behalf in case any transferee of a share shall apply for a new certificate in lieu of the old or existing certificate, he shall be entitled to receive a new certificate on payment of a sum of Rupee One for every such certificate of shares to which the said transfer related and upon delivering up to be cancelled every old, or existing certificate which is to be replaced by a new one.

Provided that no fee shall be charged for transfer or for issuing new certificate in replacement of those which are old, decrepit or worn out or where cases on the reverse for recording transfers have been fully utilized.

Particulars of Transfer to be entered in the Register of Members

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

Custody of Transfer Deeds

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

Closure of Register of Members and Register of Debenture holders

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

Transmission of shares

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

(2) No fee shall be charged for transmission of shares.

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

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

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

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

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

Rights and liabilities of legal representatives

53. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member, may, upon such evidence being produced as may from time to time required by the Board and subject as hereinafter provided, elect either:

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made,

(2) The Board shall, in either case, 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 or insolvency.

Notice of election by legal representatives

54. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(2) If the person aforesaid shall elect to transfer the share, he shall testify his elections by executing a transfer of the shares.

(3) All the limitations, restrictions and provisions of these regulations 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 or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

(4) A person becoming entitled to a share by reason of the death or insolvency 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 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, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

Company's right to register transfer by apparent legal owner

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

REGISTER OF MEMBERS

Register of Members and Debenture Holders

56. The Company shall keep at its Registered Office in one or more books a register of its members and debenture holders commencing from the date of the registration of the Company and an index of members of debenture holders and enter therein the particulars prescribed in Sections 150, 151, and 152, of the Act and the Companies (Issue of Share Certificate) Rules 1960 or any modification thereof for the time being in force.

Inspection of Registers

57. The Register of Members and the Index of Members, Index of Debenture holders and copies of annual returns prepared under Sections 159 and 160 of the Act shall be open to the inspection of any Member without payment of any fee and to the inspection of any other person on payment of One Rupee for each inspection and copies of extract from such register may be furnished in accordance with the provisions of Section 163 of the Act.

SET – OFF OF MONEYS DUE TO SHAREHOLDERS

Set-off of moneys due to shareholders

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

CONVERSION OF SHARES INTO STOCK

Conversion of shares

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

Transfer of stock

60. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided, that the Board may, from time to time fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

Right of Stockholders

61. 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 on winding up) shall be conferred by an amount of stock which would not, if existing in share, have conferred that privilege or advantage.

Applicability of Regulations to stock and stockholders

62. Such of the regulations contained in these presents (other than those relating to share warrants) as are applicable to fully paid up shares shall apply to stock and the words “share” and “shareholders” in these presents shall include “stock” and “stock-holder” respectively.

SHARE WARRANTS

Issue of share warrants

63. (1) The Company may issue share warrants subject to and in accordance with the provisions of Section 114 and 115 of the Act and accordingly, the Board may in their discretion, with respect to any share which is fully paid-up on application in writing signed by the person registered as holder of the share and authenticated by such evidence, if any, as the Board may from time to time require as to the identity of the person signing the application, and on receiving the certificate, if any of the share, and the amount of the stamp duty required for the warrant and such fee as the Board may from time to time require issue a share warrant and may provide by

coupons or otherwise for the payments of the future dividends on the shares specified in the share warrant.

(2) A share warrant shall entitle the bearer thereof to the shares included in it and the shares shall be transferred by the delivery of the share warrant and the provisions of the Articles of the Company with respect to transfer and transmission of shares shall not apply thereto.

(3) The bearer of a share warrant shall, on surrender of the warrant to the Company for cancellation and on payment of such fee as the Board may from time to time prescribe, be entitled to have his name entered as a member in the Register of Members in respect of the shares included in the warrant.

Requisition of meeting by Bearer of Share Warrants

64. (1) The bearer of a share warrant may at any time deposit the warrant at the Registered Office of the Company and so long as the warrant remains so deposited the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time to deposit, as if his name were inserted in the Register of Members as the holder of the shares included in the deposited warrant.

(2) Not more than one person shall be recognized as depositor of the share warrant.

(3) The Company shall on two day's written notice return the deposited share warrant to the depositor.

Disabilities of holder

65. (1) Subject as herein otherwise expressly provided, a person shall as bearer of a share warrant sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

(2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register as the holder of the shares included in the warrant and shall be a member of the Company.

Renewal

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

ALTERATION OF CAPITAL

Alteration of Capital

67. (1) The Company in General Meeting may from time to time alter the conditions of its Memorandum of Association as follows, that is to say, it may:

(a) increase its share capital by such amount as it thinks expedient by creating new shares.

(b) consolidate and divide all or any of its share capital into shares of larger amount than existing shares.

(c) convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denomination.

(d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.

(e) cancel any shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

(2) The resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division one or more of such share shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.

Application of provisions to new shares

68. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture, and otherwise as the shares in the original share capital.

Reduction of Capital etc.

69. The Company may subject to provisions of sections 78, 80 and 100 to 105 both inclusive and other applicable provisions if any of the Companies Act, 1956, from time to time, by special resolution, reduce (a) its share capital (b) any capital redemption reserve account or (c) any share premium account in any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This article is not to derogate from any power the Company would have if it were omitted.

GENERAL MEETING

Statutory Meeting

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

Annual General Meeting

71. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as annual general meeting at intervals and in accordance with the provisions specified below:

- i. The first annual general meeting of the Company shall be held within eighteen months of its incorporation.
- ii. The next annual general meeting of the Company shall be held within six months after the expiry of the financial year in which the first annual general meeting was held and thereafter the annual general meetings shall be held by the Company within six months after the expiry of each financial year, subject however to the power of the Registrar of Companies to extend the time within which such a meeting can be held for a period not exceeding three months, and subject thereto not more than fifteen months shall elapse from the date of one annual general meeting and that of the next.
- iii. Every annual general meeting shall be called for at a time during business hours on a day that is not a public holiday and shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered office of the Company is situated.
- iv. Notice calling such meetings shall specify them as annual general meetings.
- v. All other meetings shall be referred to as Extra-ordinary General Meetings.

Extraordinary General Meeting by Requisition

73. (1) The Board shall on the requisition of members of the Company holding not less than one tenth of the issued equity share capital of the Company or at the requisition of one hundred members proceed duly to call an Extraordinary General

Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.

(2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionist and shall be deposited at the Registered Office of the Company or sent to the Company by registered post addressed to the Company at its Registered office.

(3) The requisition may consist of several documents in like form each signed by one or more requisitionists.

(4) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as held at the date of the deposit or dispatch to the Registered Office of the requisition, not less than 1/10 of such of the paid up capital of the Company as at that date carries the right of voting in regard to the matters set out in the requisition.

(5) If the Board does not within 21 days from the date of deposit of the requisition with regard to any matters proceed duly to call a meeting for the consideration of those matters, on a day not later than 45 days from the date of deposit of the requisition the meeting may be called by the requisitionists themselves or by such of the requisitionists, as representing either a majority in value of the paid-up share capital held by all of them or not less than 1/10th of such paid-up capital of the Company as is referred to in clause (4) above, whichever is less.

Length of notice for calling meeting

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

Accidental omission to give notice not to invalidate meeting

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

Special Business

76. (a) All business shall be deemed special that is transacted at an Extraordinary General Meeting and also that is transacted at an Annual General Meeting with the exception of business relating to;

- (i) the consideration of the Accounts, Balance Sheet, Reports of the Directors and Auditors.
- (ii) the declaration of a Dividend,
- (iii) the appointment of Directors in the place of those retiring; and
- (iv) the appointment and fixing of the remuneration of the Auditors.

(b) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such items of business, including in particular the nature of the concern or interest, if any, therein of every Director of the Company. Where any item of business consists of the according of approval to any document by the meeting the time and place where the document can be inspected shall be specified in the statement aforesaid.

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

PROCEEDINGS AT GENERAL MEETINGS

Representation of Corporations at meetings of Company and Creditors

77. (1) A body corporate (whether a company within the meaning of the Act or not) may

(a) if it is a member of the company within the meaning of the Act, by resolution of its Board of Directors or other Governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the company.

(b) if it is a creditor (including a holder of debentures) of a company within the meaning of the Act, by resolution of its Directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of any creditors of the company held in pursuance of the Act or of the rules made there under or in pursuance of the provisions contained in any debentures or trust deed as the case may be.

(2) A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were a member, creditor or holder of debentures of the Company.

Representation of Governments

78. The President of India or the Governor if and so long as he holds shares in the company, may by order in writing authorize any person or persons to act as his representative at any or all meetings of the company and the persons so authorized shall be entitled to exercise the same rights and powers as the President or as the case may be, the Governor could exercise as a member of the Company. A copy of the order made under this Article shall be deposited at the Registered Office of the Company before the time fixed for the meeting. Any order made under this Article may subsequently be revoked by the President, or as the case may be by the Governor by depositing a notice of revocation at the Registered Office of the Company before the time fixed for the meeting and due revocation of an order shall in no way prohibit the issue of another order by the President or the Governor concerned and the deposit of a copy thereof at the Registered Office of the Company within the time limited by this Article.

Quorum

79. Five members personally present shall be a quorum for a General Meeting and no business shall be transacted at a General Meeting unless the requisite quorum is present at the time when the meeting proceeds to business.

If quorum not present when meeting to be dissolved and when to be adjourned

80. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called by or upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

Chairman of General Meeting

81. (1) The Chairman of the Board of Directors, shall preside as Chairman at every General Meeting of the Company.

(2) If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the members present shall choose another Director as Chairman of the meeting, and if no Directors be present or if all the Directors declined to take the

chair, then the members present shall choose some one of their number to be chairman of the meeting.

ADJOURNMENT OF THE MEETINGS

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

Questions at General Meeting how decided

83. At any General Meeting, a resolution put to the vote of meeting shall be decided on a show of hands unless a poll is, before or on the declaration of the result of the show of hands, demanded in accordance with the provisions of Section 179 of the Act. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

Casting Votes

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

Taking of poll

85. If a poll is duly demanded in accordance with the provisions of Section 179 of the Act it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the decision of the meeting on the resolutions on which the poll was taken.

In what cases poll taken without adjournment

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

No member entitled to vote while call due to the Company

87. 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 call or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.

Number of votes to which member entitled

88. 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 preceeding 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, 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 of the Act, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to the Preference shares.

Validity of Votes

89. (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

(2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

Business may proceed notwithstanding demand for poll

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

Vote by joint holders

91. If there be joint registered holders of any share, any one of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint-holders be present at any meeting, that one of the said persons so present whose name

stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

Vote on behalf of members of unsound mind or minor

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

Proxies permitted on polls

93. On a poll, votes may be given either personally or by proxy.

Instrument of proxy

94. (1) The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing or if the appointer is a Corporation either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as proxy whether he is a member or not.

(2) A corporate body (whether a Company within the meaning of the Act or not) may; if it is a member or a creditor or a debenture holder of the Company by the resolution of its Board of Directors or other governing body authorize such, person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the company or at any meeting of any creditors of the Company held in pursuance of the Companies Act or any Rules made there under or in pursuance of the provisions contained in any debenture or Trust Deed as the case may be. The person so authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as that body could exercise if it were an individual member, creditor or holder of debenture of the Company.

(3) So long as an authorization under clause (2) above is in force, the power to appoint proxy shall be exercised only by the person so appointed as representative.

Proxy to be deposited at the office

95. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarilly certified copy of that power or authority, shall be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person

named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Validity of vote by proxy

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

Form of proxy

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

Time for objections to vote

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

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

99. 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.

Minutes

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

(2) The Chairman of the meeting may exclude at his absolute discretion such of the matters, as or could reasonably be regarded as, defamatory of any person, irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

DIRECTORS

Number of Directors

101. Until otherwise determined by a General Meeting the number of Directors shall not be less than three and not more than twelve.

102. Subject to the Provisions of section 255 of the Act:

(a) The Governor shall have the right to appoint Directors (including the Chairman/Managing Director/Executive Director/Functional Director) on the Board of Directors of the Company.

(b) Financial Institutions or other Bodies Corporate who by virtue of financial assistance or participation in the share capital of the Company are entitled to representation on the Board of Directors shall appoint one or more Directors who shall hold office until removed by the said institution or Body Corporate and shall not be bound to retire every year.

(c) Any State Government or the Central Government so long as it holds shares to the value of not less than Rs.10 lakhs shall be entitled to appoint a Director.

(d) The remaining places shall be filled up by election by holders of ordinary shares in General Meeting and the said Directors alone shall be subject to retirement every year.

Directors not liable to retire by rotation

103. All Directors nominated under Article 102 (a) (b) (c) shall be deemed to be ex-officio Directors for the purpose of these presents. Each such Director shall hold office until he is either removed from office or another is nominated in his place by the Government concerned or by the said Institutions or Bodies Corporate as the case may be, or until he vacates office by resignation or otherwise and he shall not be liable to retirement.

103. A. At every Annual General Meeting of the Company all the Directors except those nominated under Article 102 a, b, c shall retire from office.

Directors Qualification shares

104. The Directors are not required to hold any qualification shares.

Present Directors

105. The first Directors of the Company shall be:

1. Shri.K.T.Chandry
2. Shri. M.S.K.Ramaswami
3. Shri.K.V.Rabindran Nair
4. Smt.Sarala Gopalan
5. Shri.A.R.Sankaranarayanan
6. Shri.Joseph Lopez
7. Shri.K.S.Natarajan

Director's Sitting Fee

106. The fee payable to a Director (including a whole time Director, if any) for attending a meeting of the Board or Committee thereof shall not exceed Rs.200/- for

each sitting of the Board or Committee. In addition a Director shall be paid Travelling and Halting Allowance required for attending such meeting, as may be fixed by the Board.

* The Officers of the State Government serving in the Board or a Committee of the Company shall be given Travelling Allowance/Daily Allowance eligible as per the relevant provisions in Kerala Service Rules and no sitting fee shall be paid to them.

* Added in the Extra-ordinary General Meeting held on 11-8-1988.

Special remuneration of Directors performing extra Services and reimbursement of expenses

107(1) If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors) the Board may arrange with such Director for special remuneration for extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board with the sanction of the Company in General Meeting and with the consent, if any required of the Central Government and such remuneration may be either in addition to or in substitution for his remuneration above provided.

(2) 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 paid and reimbursed any sum as the Board may consider fair compensation for traveling or other expenses incurred by him in connection with the business of the company.

Additional Director

108. The Directors shall have power at any time and from time to time to appoint any other person as a Director as an addition to the Board but so that the total number of Directors shall not any time exceed the maximum number fixed. Any Directors so appointed shall hold office only until the conclusion of the next following Annual General Meeting of the Company and shall be eligible for re-election at such meeting.

Casual Vacancy

109. Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, and the person so appointed shall hold office up to the date on which the Director in whose place he is appointed would have held office if it had not been vacated.

Alternate Directors

110. (1) The Board of Directors of the Company may appoint Alternate Director (here in after called in this clause the Original Director) during his absence for a period of not less than three months from the State of Kerala.

(2) An Alternate Director appointed under sub-clause (1) shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to the State of Kerala.

(3) If the term of Office of the Original Director is determined before he so returns to the State of Kerala, any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the original Director and not to the Alternate Director.

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

Vacation of Office by Directors

112. (1) The Office of a Director shall be vacated if:

- (a) he is found to be of unsound mind by a Court of Competent Jurisdiction;
- (b) he applies to be adjudicated an insolvent;
- (c) he is adjudged an insolvent;
- (d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect there of to imprisonment for not less than six months;
- (e) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government has by notification in the official gazette; removed the disqualification incurred by such failure;
- (f) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months whichever is longer, without obtaining leave of absence from the Board;
- (g) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a 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;

- (h) he acts in contravention of Section 299 of the Act;
 - (i) he becomes disqualified by an order of Court under Section 203 of the Act;
 - (j) he is removed in pursuance of Section 284 of the Act;
 - (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;
- (2) he is disqualified under Section 209 A (9) of the Act.
- (3) The Disqualification referred to in sub-clauses (c), (d) and (i) above shall not take effect:
- (a) for thirty days from the date of the adjudication, sentence or order
 - (b) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence, or order until the expiry of seven days, from the date on which such appeal or petition is disposed of, or
 - (c) Where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction, or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.

Director may contract with company

113. (1) Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the company either as vendor, purchaser, lender, agent, broker, or otherwise nor shall any such contract or any contract or arrangement entered-into by or on behalf of the company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding the fiduciary relation thereby established; but the nature of the interest must be disclosed by him or them at the meeting of the Board at which the contract or arrangement is determined if the interest then exists or in any other case at the meeting of the Board after the acquisition of the interest.

Provided nevertheless that no Director shall, take part in the discussion of or vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and if he does so, his vote shall not be counted, but he shall be entitled to be

present at the meeting during the transaction of the business in relation to which he is precluded from voting although he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to give the Directors or any of them any security by way of indemnity against any loss which they or any of them suffer by becoming or being sureties for the Company or to any contract or arrangement entered into or to be entered into with a public Company or a Private Company which is a subsidiary of a public Company, in which the interest of the Director aforesaid consists solely in his being a Director of such Company and the holder of not more than shares of such number of or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company.

(2) A general notice that any Director is a Director or a member of any specified company or is a member of any specified firm and is to be regarded as concerned or interested in any subsequent transaction with such company or firm shall, as regards any such transaction be sufficient disclosure of the concern or interest under this Article and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such company or firm.

(3) A Director may be, or become a Director or member of any Company promoted by this Company or in which this company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such Company.

Rights of Directors

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

RETIREMENT OF DIRECTORS

Retiring Director eligible for re-election

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

Provisions in default of appointment

116. If at any General Meeting at which an election of Directors ought to take place, the place of any retiring Director is not filled up, and the meeting has not expressly

resolved not to fill the vacancy, the meeting shall stand adjourned to the same day in the next week at the same time and place, or if that day is a public holiday at the same time and place and 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 then the retiring Director whose place has not been so filled up shall be deemed to have been re-elected at the adjourned meeting, subject to the provisions of section 256 of the Act.

Power of General Meeting to increase or reduce

Number of Directors

117. Subject to the provisions of Sections 252, 255, and 259 of the Act the Company in General Meeting may increase or reduce the number of Directors.

Power to remove Directors by ordinary resolution

118. Subject to the provisions of section 284 of the Act the Company may by an ordinary resolution remove any Director appointed under Article 102 (d) before the expiration of his period of office and by an ordinary resolution appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected as Director.

Right of Persons other than retiring

Directors to stand for Directorship

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

PROCEEDINGS OF DIRECTORS

Meeting of the Board

120. (1) The Board may meet for the dispatch of business, adjourn and otherwise regulate the meetings, as they think fit, provided that a meeting of the Board shall be held at least once in every three months and at least four such meetings shall be held every year.

(2) The Secretary may and when necessary, and shall on the requisition of a Director, at any time summon a meeting of the Board.

Quorum

121. The quorum for a meeting of the Board shall be one-third of the total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher, of whom one shall be a Director appointed by Governor under Article 102 (a) provided that where at any time the number of interested Directors is equal to or exceeds two-thirds to total strength, the number of remaining Directors, that is to say the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term “interested Director” means any director whose presence cannot by reason of Section 300 of the Act count for the purpose of forming a quorum at meeting of the Board, at the time of discussion or vote on any matter.

*Provided that such quorum shall not be deemed to be complete unless atleast official representing the administrative Department or Finance Department of the Government of Kerala, who is a Director for the time being is present.

***Added in the 16th Annual General Meeting held on 7-10-1994.**

Questions how decided

122. Save as otherwise expressly provided in the Act, a meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally, and all questions arising at any meeting of the Board shall be decided by a majority of the Board.

123. (1) The Directors may from among their number elect a Chairman of the Board of Directors and determine the period for which he is to hold office and unless otherwise determined the Chairman shall be elected annually.

(2) If no person has been appointed as Chairman under clause (1) above or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting the Directors present may choose one of their number to be Chairman of the meeting.

Committee

124. (1) The Board of Directors may, from time to time, appoint one or more Committees consisting of one or more members of their body, as the Board may deem fit.

(2) The quorum of a Committee may be fixed by the Board and until so fixed if the Committee is of a single member or two members the quorum shall be one and if more than two members it shall be two.

Election of Chairman of the Meeting of the Committee

125. If the Chairman of the Board is a member of the Committee, he shall preside over all meetings of the Committee, If the Chairman is not a member thereof, the Committee may elect a Chairman of its meeting; if no such Chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members of the Committee present may choose one of their number to be Chairman of the Meeting.

Questions how determined

126. (1) A Committee may meet and adjourn as it thinks proper.

(2) Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be, and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

Acts done by Board or Committee Valid notwithstanding

Defective appointment etc.

127. All acts done by any meeting of the Board or of a Committee thereof, or by any person acting as Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified be as valid as if every such Director and such persons had been duly appointed and was qualified to be a Director.

Resolution by Circulation

128. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any to all the Directors or to all the members of the Committee, then in India, not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may be and to all other Directors or members of the Committee at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled

to vote on the resolution shall be as valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

POWER AND DUTIES OF DIRECTORS

Powers of Company vested in Directors

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

(b) Without prejudice to the generality of the powers conferred by the last preceding clause, and the other powers conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers, that is to say, Powers:

(1) To carry on and transact the several kinds of business specified in Clause 111 of the Memorandum of Association of the Company.

(2) To draw, accept, endorse, negotiate and discharge on behalf of the Company all bills of exchange, promissory notes, cheques, hundies, drafts, railway receipts, dock warrants, delivery orders, Government promissory notes, other Government instrument bonds, debentures or debenture stock of Corporations, Local Bodies, Port Trusts, Improvement Trusts or other Corporate Bodies and to execute transfer deeds for transferring stocks, share or stock certificates of the Government and other local or corporate bodies in connection with any business or any object of the company.

(3) To acquire by purchase, lease, exchange or otherwise, lands, estates, fields, office showrooms, godowns and other buildings in the State of Kerala or elsewhere, machinery, engine plant, rolling stock, tools, machine tools outfits stores, hardware and other materials of whatever description either for credit or for cash and present or future delivery.

(4) At their discretion, to pay for any property rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares,

bonds, debentures or other securities of the Company; and any such shares may be issued either as fully paid up or with amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any of the Company or not so charged.

(5) To engage and in their discretion to remove, suspend, dismiss and remunerate bankers, legal advisers, accountants, cashiers, clerks, agents, commission agents, dealers, brokers, foremen, servants, employees of every description and to employ such professional or technical or skilled assistants as from time to time may in their opinion be necessary or advisable in the interest of the Company and upon such terms as to duration of employment, remuneration or otherwise and may require security in such instances and to such amounts as the Directors think fit.

* Provided that the principle of communal reservation as applicable to Government appointments shall be followed the matter of appointments subject to availability of candidates with required qualification and competence.

*** Added in the Extra-ordinary General Meeting held on 9-2-1982.**

**i) All the recruitments to the posts of this Company shall be made through the Kerala Public Service Commission other than Company Secretary and like professionals.

**** Added in the Extra-ordinary General Meeting held on 6-3-2006.**

*** Recruitment of only non-managerial category of employees of the company shall be brought under the purview of Kerala Public Service commission

***** Added in the Extra – ordinary General Meeting held on 27.10.2007**

**** “Recruitment of the following common category of non-Managerial employees of the company shall be brought under the purview of Kerala Public Service commission and recruitment to all other posts shall be done directly by the company”.

1.Clerk 2. Typist/Clerk 3. Stenographer 4.Driver 5.Time Keeper 6.Dresser 7. Compounder 8. Jr.Assistant 9.Peon 10. Sanitary Worker 11. Tracer 12. Draftsman 13. Nurse

****** Added in the Extra – ordinary General Meeting held on 07.05.2008**

(6) To secure the fulfillment of any contracts or agreements entered into by the Company, by mortgage or charge of all or any of the property of the Company or in such other manner as they may think fit.

(7) To institute, conduct, defend compound or abandon any actions, suits, and legal proceedings by or against the Company or its officers or otherwise concerning the

affairs of the Company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings.

(8) To plan, develop, improve, cut down, process, sell or otherwise dispose of the products of the Company and to incur all expenses in this behalf.

(9) To make and give receipts, release and other discharges for money payable to the Company and for the claims and demands of the Company.

(10) To determine who shall be entitled to sign on the Company's behalf bills of exchange, promotes, dividend warrants, cheques and other negotiable instruments, receipts, acceptances, endorsements, release, contracts, deeds and documents.

(11) From time to time to provide for the management of the Company in any specific locality in India or abroad in such manner as they think fit and in particular to appoint any persons to be the attorneys or agents of the Company either abroad or in India with such powers including power to sub-delegate and upon such terms as may be thought fit.

(12) To invest and deal with any of the moneys of the Company not immediately required for the purpose thereof upon such securities as they think fit.

(13) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on.

(14) To give to any person employed by the Company a commission on the profits of any particular business or transactions, or a share in the general profits of the Company and such commission, or share of profits, shall be treated as part of the working expenses of the Company.

(15) From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants.

(16) To enter into all such negotiations and contracts, and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purposes of the Company.

(17) To pay gratuities, bonus, rewards, presents and gifts to employees or dependents of any deceased employees, to charitable institutions or purposes and to subscribe for provident funds and other associations for the benefit of the employees.

(18) To make donations, contributions or other payments to individuals, institutions, associations.

(c) (1) The Board shall exercise the following powers on behalf of the Company only by resolution passed at a meeting of the Board.

- (i) Power to make calls on shareholders in respect of money unpaid on their shares;
- (ii) Power to issue debentures;
- (iii) Power to borrow moneys otherwise than on debentures;
- (iv) Power to invest the funds of the Company; and
- (v) Power to make loans.

(2) The Board may by a resolution passed at meeting delegate to any Committee of the Board, if any, any powers specified in sub-clauses (iii),(iv), and (v) of clause (1) above.

(3) Every resolution delegating the power set out in sub-clause (iii) of clause (1) above shall specify the total amount outstanding at any one time upto which the moneys may be borrowed by the said delegate.

(4) Every resolution delegating the power referred to in sub clause (iv) of clause (1) above shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.

(5) Every resolution delegating the power referred to in sub-clause (v) of clause (1) above shall specify the total amount upto which loans may be made by the delegate, the purpose for which the loans may be made and the maximum amount of the loan that may be made for such purpose in individual cases.

130. Notwithstanding anything contained in any of these Articles, the Governor may, from time to time, issue such directives as he may consider necessary in regard to the conduct of the business and affairs of the Company or Directors thereof and in like manner may vary and annul any such directives. The Directors shall give immediate effect of directives so issued.

131. The Governor shall have power to;

- (i) give directions to the Company as to the exercise and performance of its functions in matters involving national security or substantial public interest and to ensure that the Corporation gives effect to such directions;
- (ii) Call for such returns, accounts and other information with respect to the property and activities of the Company as may be required from time to time;
- (iii) Authorise the amount of capital to be raised and the terms and conditions on which it may be raised.
- (iv) Approve the Company's five-year and annual plan of development and the Company's capital budget;
- (v) Approve the Company's revenue budget in case there is element of deficit which is proposed to be met by obtaining funds from the Government. and
- (vi) Approve agreements involving foreign collaboration proposed to be entered into by the Company and to approve purchases and contracts of a major nature involving substantial capital outlay which are in excess of the powers vested in the Company.

Right of the Governor re: capital Expenditure etc.

132. The following matters shall require the prior approval of the Governor:

- i) Appointment by direct recruitment or promotion to the post of Manager Grade III or any post equal thereto in Pay Scale and Grade and to any post above that Grade and Pay Scale
- ii) Any programme of capital expenditure for an amount which exceeds Rs.10 lakhs in cases which do not form part of the sanctioned estimates.
- iii) Agreements involving foreign collaboration proposed to be entered into by the Company.
- iv) Sales, lease, exchange, mortgage and/or disposal otherwise of the whole or substantially in the whole of the undertaking of the Company.
- v) Formation of subsidiary Company / Corporations.
- vi) Winding up of the Company.
- vii) To enter into collaboration or partnership or arrangement for joint working in business, sharing of profits, joint venture, or reciprocal concession with any other Company, Firm or Co-operative Society or body engaged in business with any or more of the objects of the Company or objects similar thereto,
- viii) Promotion of a company/companies.
- ix) The annual budget of the company in case there is an element of deficit which is proposed to be met by obtaining funds from Government.
- x) Matters relating to revision of scales of pay and T.A. of the employees of the Company.

- xi) Rules of the Company governing the conditions of service, P.F and other rules, creation of reserve and capital funds.
- xii) Travel outside India on business tour or otherwise, by the Directors or employees of the Company.
- xiii) Division of capital into different classes of shares.
- xiv) Matters relating to introduction / revision of schemes for granting benefits involving additional expenditure to the employees, staff etc. of the concern.
- xv) Any other matter which in the opinion of the Chairman be of such importance as to be reserved for approval of the Governor.

APPOINTMENT OF MANAGING DIRECTOR / WHOLE TIME DIRECTORS / FUNCTIONAL DIRECTORS / DIRECTOR EXECUTIVE

133. (i) For the conduct and management of the business of the Company in general subject to the control and supervision of the Board of Directors, the Governor may empower the Chairman nominated under Article 102 (a) to exercise the functions of the Managing Director or appoint one of the Directors to be the Managing Director who will be the Chief Executive Officer of the Company. The Governor may also appoint one or more Directors to be an Executive Director / Functional Director or Executive Directors / Functional Directors.

(ii) The Chairman so empowered or the Managing Director or an Executive Director / Functional Director of Executive Directors/ Functional Directors so appointed shall be whole time employees of the Company and shall be paid such salary and allowances as may be fixed by the Governor.

*(iii) The Chairman of the Company, who is not empowered under Article 113 (i) to exercise the functions of the Managing Director, shall be paid such honorarium/ remuneration, allowances and perquisites, as may be fixed by the Governor”.

* Added in the Extra-ordinary General Meeting held on 30-3-1981.

Management of the Company.

134. The Managing Director shall be in management of the whole affairs of the Company subject to the control and supervision of the Board of Directors. He may be authorized by the Board to exercise such powers and discretion in relation to the affairs of the Company as are specifically delegated to him by the Board and are not required to be done by the Board of Directors of the Company at its General meeting.

Legal Proceeding

135. Any Managing Director or the Secretary for the time being or any other person duly authorized by the Directors shall be entitled to make, give, sign and execute all and every warrant to sue or defend on behalf of the Company; all and every legal proceedings and compositions or compromise, agreement, and submission to arbitration and agreement to refer to arbitration as may be requisite, and for the purpose aforesaid, the Secretary, or such other person may be empowered to use their or his own name on behalf of the Company and they or he shall be saved harmless and indemnified out of the funds and property of the Company, from and against all costs and damages which they or he may incur or be liable to by reason of their or his name being so used as aforesaid.

Powers to Delegate to Directors

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

Attorney of the Company

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

Duty to maintain Registers, etc. and Record of Minutes

138. The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of the mortgages and charges affecting the properties of the Company or created by it and to keeping a Register of the Directors and to sending to the Registrar an annual list of members and a summary of particulars of shares and stock and copies of special resolution and such other resolutions of the Boards as are required to be filed with the

Registrar under Section 191 of the Act and a copy of the Register of Directors and notification of any changes therein.

Secretary

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

Powers as to commencement of Business or branch of Business

140. Any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorized to be undertaken by the Company, may be undertaken by the Board at such time or times as they shall think fit and further may be suffered by them to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

BORROWING

Borrowing

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

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

(2) The Directors may by a resolution passed at meeting of the Board delegate the above power to borrow money otherwise than on debentures to a Committee of Directors within the limits prescribed.

(3) Subject to the provisions of the above sub-clauses, the Directors may, from time to time, at their discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company, at such time and in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes, or by opening current accounts, or by receiving deposits and advances with or without security, or by the issue of bonds, perpetual or redeemable debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands buildings goods or other property and securities of the Company, or by such other means as to them may seem expedient.

(4) Such debentures, debenture-stock, bonds, or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Nomination of Directors

142. (a) Any Trust Deed securing any debentures or debenture stock and or any mortgage deed or other bond for securing payment of moneys borrowed by or due by the Company and or any contract or any agreement made by the Company with any person, firm, body corporate, and or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or to provide assistance in any other manner, may provide for the appointment, from time to time by any such Mortgagee, Lender, Trustee of or Holder of debentures or Contracting Party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such Trust Deed, Mortgage Deed, Bond or contract may provide that the Person appointing a Director as aforesaid may from time to time remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or Debentures or on the termination of such contract and any person so appointed as Director under Mortgage or Bond or Debenture Trust

Deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.

(b) In particular the Board of Directors may at their discretion borrow or otherwise raise money for the purpose of the Company from the Central Government or any State Government or Finance Corporations or Banks or other Financing institutions and for the purpose may empower or authorize them to appoint one or more individuals as Directors who shall not be liable for retirement by rotation.

(c) The Director or Directors so appointed by or under a Mortgage Deed or Debenture Trust Deed or other bond or contract or authorization or by the Board as aforesaid shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such Mortgage Deed or Bond or Trust Deed or contract or authorization may contain such auxiliary provisions as may be arranged between the Company and Mortgagee, Lender, the Trustee or contracting party as the case may be and all such provisions shall have effect notwithstanding any of the other provisions herein contained but shall be subject to the provisions of the Act.

(d) The total number of Directors appointed under this Article shall not any time exceeds one-third of the whole number of Directors for the time being.

Terms of Debenture issues

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

144. The Company may, upon the issue of any bonds, Debentures, Debenture stock, or other securities, confer other creditors of the Company holding the same, or on any trustees or other persons acting on their behalf such rights as are permitted under law for the time being in force by empowering them to appoint one or more persons to be the Directors of the Company or otherwise as may be agreed upon.

Register of Mortgages

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

Charge on Uncalled Capital

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

Subsequent Assignees of Uncalled Capital

147. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled, by notice to the shareholders or otherwise, to obtain priority over such prior charge.

148. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

COMMON SEAL

Common Seal

149. The Board shall provide a Common Seal for the Company and shall have power from time to time to cancel the same and substitute a new seal in lieu thereof. The Common Seal shall be kept at the Registered Office of the Company and committed to the custody of the Secretary.

Official Seal for use Abroad

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

Affixture of Common Seal

151. The seal shall not be affixed to any instrument except by authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf and unless the Board otherwise determines every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by two Directors in whose presence the seal shall have been affixed and also signed by the Secretary or such other persons as may from time to time be authorized by the Board.

DIVIDENDS AND RESERVES

Right to Dividend

152. (a) The profits of the Company (including capital profits) subject to any special rights relating thereto created or authorized to be created by these presents, and subject to the provisions of these presents as to the Reserve Funds, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.

(b) Where capital is paid up on any shares in advance of calls, upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

Declaration of Dividends

153. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board,

Interim Dividend

154. Subject to provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to them to be justified by the profits of the Company.

Dividends to be paid out of profits only

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

Reserve Funds

156. Subject to provisions of the Act:-

(1) The Board may before recommending any dividends set aside out of the profits of the Company such sum as they think proper as a reserve or reserves, which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends, and pending such application may, at the like

discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit.

(2) The Board may also carry forward any profits which they may think prudent not to divide, without setting them aside as Reserve.

Method of Payment of Dividend

157. (1) Subject to the rights of persons if any entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up or credit as paid up on the shares in respect whereof the dividend is paid.

(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.

(3) 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 dividends as from a particular date such share shall rank for dividend accordingly.

Deduction of Arrears

158. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Adjustment of Dividends against calls

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

Payment by Cheque or Warrant

160. (1) Any dividend, interest or other moneys payable in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or the joint holders may in writing direct.

(2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

(3) Every such cheque or warrant shall be posted within forty-two days from the date of declaration of dividend.

Receipt of Joint Holders

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

Dividends not to bear Interest

162. No dividend shall bear interest against the Company.

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

Notice of Dividend

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

CAPITALISATION OF PROFITS

Capitalisation of Profits

165. (1) The Company in General Meeting, may on the recommendation of the Board, resolve:

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Profit and Loss Account or otherwise available for distribution; and
- (b) that such sums be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) below, either in or towards;

- (i) Paying up any amounts for the time being unpaid on any shares held by such members respectively.
- (ii) Paying up in full, unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; and
- (iii) Partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii)

(3) A Share Premium Account and a Capital Redemption Reserve Account may for the purpose of this regulation only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

(4) The Board shall give effect to resolutions passed by the Company in General Meeting in pursuance of this Article.

Powers of Directors for declaration of bonus.

166. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares or debentures if any;
- (b) generally, do all acts and things required to give effect thereto.

(2) The Board shall have full power;

- (i) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as they think fit, in the case of shares or debentures becoming distributable in fractions and also.
- (ii) to authorize any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares or debentures to which they may be entitled upon such capitalization, or (as the case may require), for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts or any part of the amounts remaining unpaid on their existing shares.

(3) Any agreement made under the authority shall be effective and binding on all such members.

ACCOUNTS

Books of Account

167. (1) The Board shall cause proper books of accounts to be kept in respect of sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure takes place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.

(2) If the Company shall have branch office, whether in or outside India, proper books of account relating to the transactions effected at that office, shall be

kept at that office and proper summarized returns, made upto date at intervals of not more than three months, shall be sent by the branch office to Company at the Registered Office, or other place in India as the Board think fit, where the main books of the Company are kept.

(3) Provided that all or any of the Books of Accounts aforesaid may be kept at such other place in India, as the Board of Directors may decide and when the Board of Directors so decide the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.

(4) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch, as the case may be, with respect to the matters aforesaid, and explain its transactions.

Inspection by Members

168. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of members and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorized by the Board or by a resolution of the Company in General Meeting.

Statement of Account to be furnished to Annual General Meeting

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

Balance Sheet and Profit and Loss Account

170. (1) Subject to the provisions of Section 211 of the Act every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in Part I & II respectively of Schedule VI of the Act, or as near thereto as circumstances admit.

(2) So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 212 of the Act, and other relevant provisions of the Act.

(3) If in the opinion of the Board any of the current assets of the Company may not have a value on realization in the ordinary course of business at least

equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

Authentication of Balance Sheet and Profit and Loss Account

171. (1) Save as provided in clause (1) below, every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board by Secretary if any, and by not less than two Directors of the Company including the Managing Director.

(2) When only one Director is for the time being in India, the Balance Sheet and Profit and Loss Account shall be signed by such Director in addition to the Secretary, and in such a case, there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by such Director explaining the reason for non-compliance with the provisions of clause (1).

(3) The Balance Sheet and the Profit and Loss Account shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

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

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

Board's Report to be attached to Balance Sheet

173. (1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the State of Company's affairs, the amounts, if any, which they propose to carry to any Reserves in such Balance Sheet; and the amount, if any which they recommend to be paid by way of dividend, material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

(2) The Report, shall so far as it is material for the appreciation of Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.

(3) The Board shall also give the fullest information and explanation in their report or in cases falling under the proviso to Section 222 of the Act in an addendum to that report, on every observation, qualification or adverse remark contained in the Auditor's Report.

(4) The Board's Report and addendum if any thereto shall be signed by the Chairman if he is authorized in that behalf by the Board, and where he is not so authorized shall be signed by such number of Directors as are required to sign the balance mission (1) and (2) of Articles 164,

(5) The Board shall have the right to charge any person not being a Director with the duty of seeing the provisions of clauses (1) to (3) of this Article are complied with.

Rights of Members to copies of Balance Sheet and Auditor's Report

174. The Company shall make the requirements of Section 219 of the Act.

ANNUAL RETURNS

Annual Returns

175. The Company shall make the requisite annual return in accordance with Sections 159 and 161 of the Act.

AUDIT

Accounts to be audited

176. Every Balance Sheet and Profit and Loss Account shall be audited by the one or more Auditors to be appointed as hereinafter set out,

Appointment of Auditors

177. The Auditor shall be appointed or re-appointed by the Central Government on advice of the Comptroller and Auditor General of India and his remuneration shall be fixed by the Central Government.

Rights and duties of Auditors

178. (1) Every Auditor of the Company shall have right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanation as may be necessary for the performance of his duties as Auditor,

(2) All notices of, and other communications relating to any General Meeting of the Company, which any member of the Company is entitled to have sent to

him, shall also be forwarded to the Auditor and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

(3) The Auditor shall make a report to the members of the Company on the Accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other documents declared by this Act to be part or annexed to the Balance Sheet or Profit and Loss Account which are laid before the Company in General Meeting during his tenure of office and the Report shall state whether, in his opinion and to the best of his information and according to the explanations given to him, and said accounts give the information required by this Act in the manner so required and give a true and fair view.

- (i) In the case of the Balance Sheet, of the state of Company's affairs as at the end of its financial year and
 - (ii) In the case of the Profit and Loss Account, the Profit or Loss for its financial year.
- (4) The Auditors Report shall also state;
- (a) whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his Audit.
 - (b) Whether in his opinion, proper books of accounts as required by law have been kept by the Company so far as appears from his examination of those books, and proper returns adequate for the purpose of this audit have been received from branches not visited by him,
 - (c) Whether the report on the accounts of any branch office audited under Section 223 of the Act by a person other than the Company's auditor has been forwarded to him as required by clause (c) of sub-Section (3) of Section 228 of the Act and how he has dealt with the same in preparing Auditors' Report; and
 - (d) Whether the Company's Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of account and returns.
- (5) Where any of the matters referred to in items (1) and (ii) of sub-clause (3) above or in items (a), (b), (c) and (d) of sub-clause (4) above is answered in the negative or with a qualification, the Auditor's Report shall state the reason for the answer.
- (6) The accounts of the Company shall not be deemed as not having been and the Auditor's Report shall not state that these accounts have not been, properly drawn upon the ground merely that the company has not disclosed certain matters if;
- (a) Those matters are such as the company is not required to disclose by virtue of any provisions contained in the Companies Act or any other Act, or

- (b) Those provisions are specified in the Balance Sheet and Profit and Loss Account of the Company.
- (7) The Auditors Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.
- (8) The Comptroller and Auditor General shall have power:
- i) to direct the manner in which the company's accounts shall be audited by the Auditor/Auditors and to give such Auditor/Auditors instructions in regard to any matter relating to the performance of his/their functions as such.
 - ii) to conduct a supplementary or test audit of the Company's accounts by such person/persons as he may authorize in this behalf and for the purpose of such audit, to have access at all reasonable times, to all accounts, account books, vouchers, documents and other papers of the Company and to require information or additional information to be furnished to any person or persons and in such form as the Comptroller and Auditor General may, by general or special order, direct,
- b) The Auditor/Auditors aforesaid shall submit a copy of his/their Audit to report the Comptroller and Auditor General, who shall have the right to comment upon or supplement the audit report in such manner as he may think fit.
- c) Any such comment upon or supplement to the Audit Report shall be placed before the Annual General Meeting of the Company at the same time and in the same manner as the Audit Report.

*178. A. The Company shall submit a copy of the Balance Sheet and Profit & Loss Account to the Commissioner and Secretary (Finance) of the Government of Kerala who shall have the right to comment upon the said Balance Sheet and Profit & Loss Account in such manner as he thinks fit. Any such comments of the Commissioner & Secretary (Finance), shall be incorporated in the Annual Accounts of the Company before they are laid before the Annual General Meeting.

*** Added in the Extra-ordinary General Meeting held on 11-8-1988.**

179. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within the period the account shall forthwith be corrected and shall thenceforth be conclusive.

SERVICE OF DOCUMENTS AND NOTICE

Service of document on the members

180. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by post

under a certificate of posting or by registered post, or by leaving it at the Registered Office.

Service of document on members

181. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgment or any other document in relation to or in the winding up of the Company) may be served or sent by the Company or to any member either personally or by sending it by post to him to his registered address, if any, within India supplied by him to the Company for the giving of notices to him.

(2) All notices shall with respect to any registered shares to which persons are entitled jointly be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.

(3) Where a document is sent by post, service thereof shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document provided; that where a member has intimated to the Company in advance that the document should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents 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;

- (i) in the case of a notice of a meeting at the expiry of forty eight hours after the letter containing the notice is posted and
- (ii) in any other case, at the time at which the letters would be delivered in the ordinary course of post.

Members to notify address in India

182. Each registered holder of shares shall from time to time notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed his place of residence.

Service on Members having no registered address in India

183. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

Service on persons acquiring shares on death or insolvency of members

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

Persons entitled to notice of General Meetings

185. Subject to the provisions of the Act and these Articles notice of General Meetings shall be given:

- (a) to the members of the Company as provided by Article 74 in any manner authorized by Articles 182 and 183 as the case may be or as authorized by the Act;
- (b) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 170 or as authorized by the Act;
- (c) to the Auditor or Auditors for the time being of the Company, in any manner provided by Article 183 as authorized by the Act in the case of any member or members of the Company.

Advertisement

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

Members bound by documents given to previous holders

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

How notice to be signed

188. Any notice to be given by the Company shall be signed by the Secretary, or by such Director or officer as the Board may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

AUTHENTICATION OF DOCUMENTS

Authentication of documents and proceedings

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

WINDING UP

Winding up

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

Division of assets of the Company in specie among members

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

INDEMNITY AND RESPONSIBILITY

Right of Directors and others to indemnity

192. (1) Subject to the provisions of Section 201 of the Act every Director, Manager, Secretary and other Officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay, all costs, losses and expenses (including traveling expenses) which any such Director, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him or in any other way in the discharge of his duties as such Director, officer or employee.

(2) Subject as aforesaid every Director, Manager, Secretary or other officer or employee of the Company shall be indemnified against any liability incurred by them in defending any proceeding whether civil or criminal in which judgment is given

in their or his favour or in which they or he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to them or him by the Court.

Not responsible for acts of others

193. Subject to the provisions of Section 201 of the Act, no Director or other Officer of the Company shall be liable for the acts, receipts, negligence, or defaults of any other Director or Officer or for joining in any receipt or other act for the sake merely of conformity, for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any money of the Company shall be invested or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any persons, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own willful act or default.

Filing fees

194. Without prejudice to the generality of foregoing it is hereby expressly declared that any filling fee payable on any document required to be filed with the Registrar of Companies or any other payment to be made to the Registrar of Companies in respect of any act done or required to be done for the Company by any Director or other officer by reason of his holding the said office, shall be paid and borne by the Company.

Secrecy Clause

195. (1) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Secretary or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of trade or secret process or which may relate to the conduct of the business of the Company and which in the opinion of the Board or the Secretary it will be inexpedient in the interest of the Company to communicate to the public.

(2) Every Director, Manager, Secretary, Auditor, Trustee, Member of a Committee, Officer, Servant, Agent Accountant or other person employed in the business of the Company shall if so required by the Board, before entering upon his duties, or at any time during his time of office, sign a declaration pledging himself to

observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any matters which may come to his knowledge in the discharge of duties except when required so to do by the Board of Directors or by any General Meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions contained in these Articles.

	Name of Subscriber	Address,Description & Occupation, if any	Signature of Subscriber
1	M.S.K.Ramaswami S/o Shri M.S. Krishnan For and on behalf of Governor of Kerala	K-1, Jawahar Nagar Trivandrum Special Secretary Industries Government of Kerala	Sd/-
2	K.V.Rabindran Nair S/o K.Velayudhan Pillai For and on behalf of Governor of Kerala	N2, Jawahar Nagar, Trivandrum Special Secretary Finance Government of Kerala	Sd/-
3	Sarala Gopalan D/o Late Sri.S.Krishnamoorthy For and on behalf of Governor of Kerala	18/827, Shastrinagar Karamana P.O Trivandrum –2 Additional Secretary to the Government of Kerala Industries Department Secretariat, Trivandrum.	Sd/-
4	A.R.Sankaranarayanan S/o Shri.A.P.Raman For and on behalf of Governor of Kerala	Managing Director Kerala State Industrial Development Corporation Ltd., Trivandrum	Sd/-
5	Joseph Lopez S/o Late Sri X.G. Lopez For and on behalf of Governor or Kerala	‘Tejos’ Kaudiar P.O, Trivandrum –3 Development Commissioner, Kerala State Industrial Development Corporation Ltd., Trivandrum –3.	Sd/-
6	V.P.Joseph S/o Late Shri.V.A.Pascal	T.C.No.15/167, Cotton Hill Trivandrum-14, Joint Secretary to Government Industries Department, Trivandrum	Sd/-
7	A.S.Unny S/o Sri.C.K. Madhavan Nambudiri	T.C.No.9/853 Sasthamangalam Trivandrum. Secretary, Kerala State Industrial Development Corporation Ltd., Trivandrum	Sd/-

Dated this the 4th day of April One thousand nine hundred and seventy eight.

Witness to the above Signatures:	N.Arjunan Pillai, Superintendent (Legal) Kerala State Industrial Development Corpn.Ltd., Trivandrum.	Sd/-
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