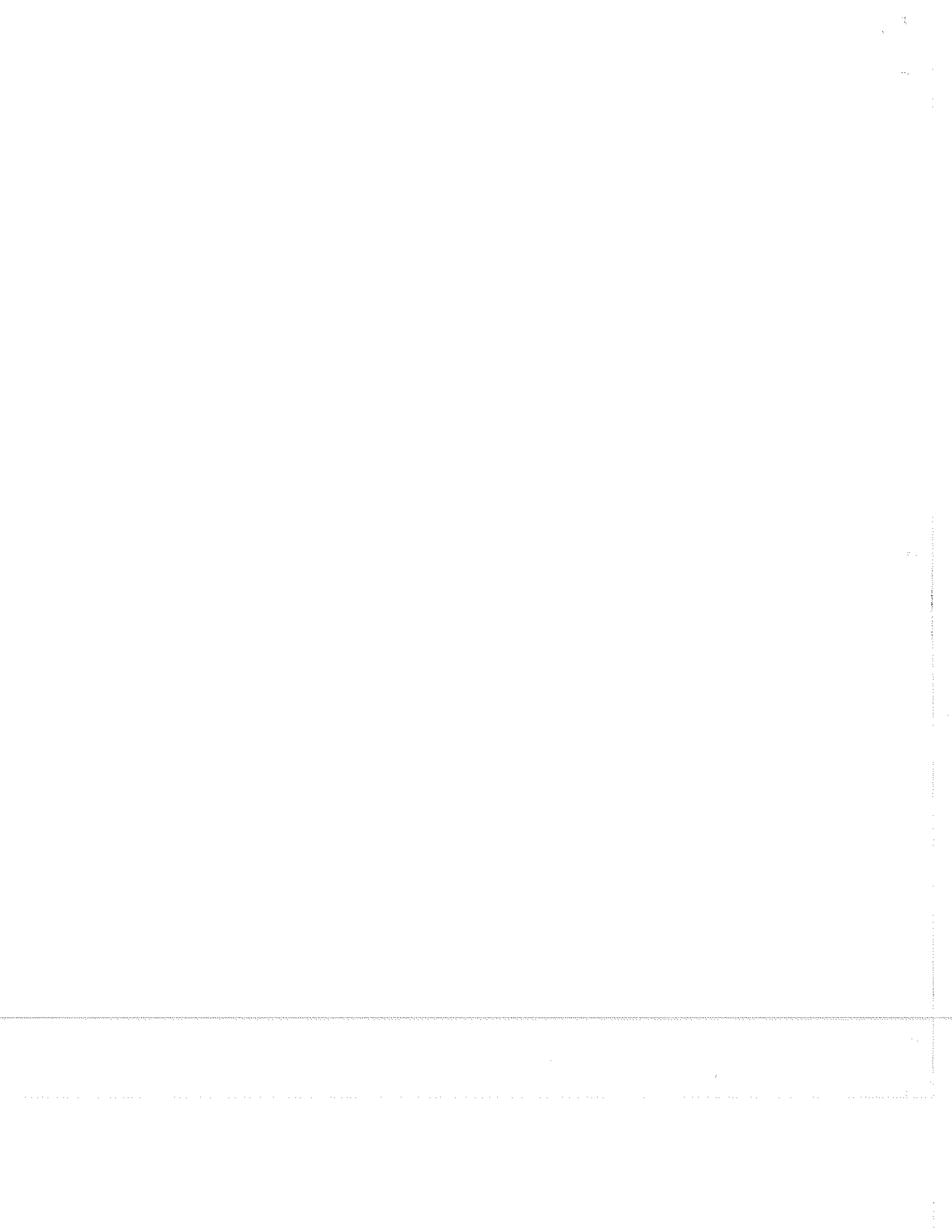

MEMORANDUM OF ASSOCIATION

AND

ARTICLES OF ASSOCIATION

OF

IND BANK HOUSING LTD



FORM I R,



CERTIFICATE OF INCORPORATION

No. 13-20219 of 19.91.

I hereby certify that... INDBANK... HOUSING... LIMITED

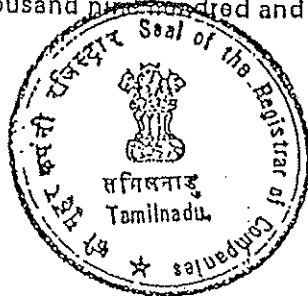
.....
.....

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

Given under my hand at MADRAS

this... Twenty eighth day of... January
Eighth Magha

One thousand nine hundred and... Ninety one
One thousand nine hundred and Twelve (Saka)



G. Srinivasan
(G. SRINIVASAN)
Registrar of Companies
TAMIL NADU

Co.No.18-20219



Certificate For Commencement of Business

Pursuant of section 149 (3) of Companies Act, 1956.

I hereby certify that the INDBANK HOUSING LIMITED

which was incorporated under the Companies Act, 1956, on the Twenty eighth day of January 1991,

and which has this day filed a duly verified declaration in the prescribed form that the condition of section 149 (2) (a) to (c) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at MADRAS

this Fifth day of February

Sixteenth Magha

One thousand nine hundred and Ninety one

One thousand nine hundred and Twelve (Saka)



(G. SRINIVASAN)
Registrar of Companies
Tamil Nadu

J. S. C. 10 ★
MFP-1021 JSC-12410-(C.1068)

MEMORANDUM OF ASSOCIATION

OF

IND BANK HOUSING LTD

Company Limited By Shares And Incorporated Under The Companies Act, 1956.

- I. The name of the Company is "INDBANK HOUSING LTD"
- II. The registered office of the company will be situated in the state of Tamil Nadu.
- III. The objects for which the company is established are :

A. Main objects to be pursued by the company on its incorporation are:

01. To carry on the business of providing long term finance to any person or persons, company or corporation, society or association of persons either with interest or without, and/or with or without any security and in particular to advance money to shareholders of the company, or to other persons, for the purpose of enabling the person, borrowing the same, to erect, construct or purchase, or upgrade ** (including repairs), any house or building, flat or any part or portions thereof in India for residential purposes on such terms and conditions as the company may think fit.

**{The words (including repairs) appearing within brackets in the fifth line of sub clause(i) of clause A relating to Main object clause are deleted as per Company Law Board order dt.18.02.1994}

02. To make access institutional finance for home seekers easier by direct lending to individuals or group of individuals and to render quality service to individual households.
03. To take up Leasing and Hire Purchase activity and that the quantum in Leasing and Hire Purchase Business not to exceed 25% of the activities of the company.

{Clause 03. Included as one of the main objects of the company as per the Special Resolution passed by the shareholders in the Annual General Meeting of the company held on 19.12.1997}

B. Objects incidental or ancillary to the attainment of main objects are:

01. To provide finance for enlargement or repairs of any house or any part or portions thereof on such terms and conditions as the Company may deem fit.
02. To negotiate loans of every description and to finance or assist in financing on long term basis the sale or purchase of houses, buildings, flats, either furnished or otherwise, by way of hire purchase or deferred payment or similar transactions and to Institute, enter into, carry on, subsidise, finance or assist in subsidising or financing the sale and maintenance of any such houses, buildings, flats, furnished or otherwise, upon any terms whatsoever.
03. To borrow or raise money or to receive money or deposit or loan at interest or otherwise in such manner as the company may deem fit and, in particular, by the issue of loan stocks, debentures or debenture-stock, perpetual or otherwise and convertible into shares and to secure the repayment of any such money so borrowed, raised or received or owing by mortgage, pledge, charge or lien upon all or any part of the property, assets or revenue of the company, present or future, including its uncalled capital and to purchase, redeem or pay off such securities but not to do banking business as defined by the Banking Regulation Act, 1949. The acceptance of deposit shall be subject to provisions of Section-58 A of the Companies Act, 1956 and the Rules framed thereunder and also subject to provisions of Chapter V of the National Housing Bank Act, 1987 and the Directions issued thereunder.
04. To receive grants, loans, advances, or other monies on deposit or otherwise from a State or Central Government, Banks, Financial Institutions, Companies, Trust, individuals or any other agency with or without allowance of interest thereon.

05. To borrow in foreign currency from any bank or financial institution or any foreign authority in India or in any foreign country subject to Foreign Exchange Regulations and such other Regulations as may be applicable.
06. To open accounts with any bank or banks and pay into and to withdraw monies from such account or accounts.
07. To make, draw, accept, endorse, execute, and issue cheques, promissory notes, bills of lading, debentures and other negotiable or transferable instruments, subject to the provisions of the Banking Regulation Act, 1949.
08. To invest and deal with the monies of the company, not immediately required, in such a manner as may, from time to time, be determined.
09. To lend or deposit money on the mortgage of immovable property or on the hypothecation or pledge of movable property or without security to such persons and on such terms as may seem expedient, and, in particular, to persons having dealings with the company upon such terms as may be thought proper and guarantee the performance of contracts by such persons or company but not to do the business of banking as defined in the Banking Regulation Act, 1949.
10. To advance money to any person or persons or agencies engaged in the business of construction of residential houses or flats, for purposes of construction of such houses and flats including the acquisition and development of land for construction of such houses or flats.
11. To advance money to agencies engaged in the manufacture of building materials.
12. To guarantee the payment of money unsecured or secured, to guarantee or to become sureties for the performance of any contracts or obligations.
13. To create any Depreciation Fund, Reserve Fund, Sinking Fund, Insurance Fund, Development Fund, or any other special fund, whether for depreciation or for repairing, improving, extending or maintaining any of the property of the company or for any other purposes conducive to the interests of the company.
14. To enter into any arrangement, with any person, association of persons, firm, company, corporation, Central or State Government, Municipal or any Local or Public Authority, that may be conducive to the company's objects or any of them and to obtain from any such person or association of persons, firms, company, corporation, government, municipal or local or public authority any right, privileges or concessions which the company may think it desirable to obtain and carry out, exercise, and comply with any such arrangement, right, privileges or concessions.
15. To enter into any contract, or arrangement for the more efficient conduct of the business of the company or any part thereof and to sublet any contracts from time to time.
16. To enter into agreements and contracts with Indian or foreign individuals, companies or other organisations for technical, financial or any other assistance for carrying out all or any of the objects of the company subject to any regulations in force in this regard.
17. To enter into a partnership or into any agreement for sharing or pooling profits, amalgamation, union of interests, co-operation, joint venture or reciprocal concession or otherwise or amalgamate with any company carrying on or engaged in or about to carry on or engage in any business or transactions which this company is authorised to carry on.
18. To promote or assist in promoting or contract with any person or company for the promotion of any other company for conducting any business connected with materials required for construction of houses but not engaged in construction activity.
19. To sell, lease, let, hire or otherwise deal with or dispose off the lands, houses, buildings and other property or any part or portions thereof belonging to the company or in which the company is in any way interested or concerned.

20. To pay all costs, charges and expenses of and incidental to the formation, promotion, registration and establishment of the company, and issue of its capital including any underwriting or other commission, broker's fee and charges in connection therewith including costs, charges of negotiation and contracts and arrangement made prior to and in anticipation of the formation and incorporation of the company.
21. To appoint Directors or Managers of any subsidiary company or any other company in which this company is or may be interested.
22. To pay for any property or rights acquired by the company for its own use either in cash or fully or partly paid up shares, with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or by any securities which the company has power to issue, or partly in one mode and partly in another and generally on such terms as the company may determine.
23. To improve, manage, work, develop, alter, exchange, lease, mortgage, turn to account, abandon or otherwise deal with all or any part of the properties, rights and concessions of the company.
24. To effect and maintain insurance against loss of or injury to any property of or any persons employed by the company or against any other loss to the company.
25. To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all of the property and assets for the time being of the company for such consideration as the Company may think fit.
26. To accept payment for any property or rights sold or otherwise disposal of or dealt with by the company, either in cash, by instalments or otherwise or in fully or partly paid up shares of any company of corporation with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise or in debentures or mortgages debentures, mortgage or other securities of any company or corporation of partly in one mode and partly in another and generally on such terms as the company may determine, and to hold, dispose of or otherwise deal with any shares, stocks or securities so acquired.
27. To establish and maintain local registers, agencies and branch places of business and procure the company to be registered or recognised and carry on business in the Union of India.
28. To undertake, form and/or execute any trust, the undertaking of which may seem to the company desirable or conducive to all or any of the objects of the company.
29. To exercise all or any of its corporate power rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any of all states, territories and dependencies thereof and in any or all foreign countries, and for those purposes to have and maintain and to discontinue such numbers of offices and agencies therein as may be convenient.
30. To do all and everything necessary suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects of the furtherance of any of the powers hereinbefore set forth, either alone or in association with other corporate bodies, firms or individuals and to do every other act or acts, thing or things incidental or appurtenant to or growing out of connected with the aforesaid business or powers or any part or parts thereof, provided the same be not inconsistent with the laws of the Union of India.
31. To apply for, promote and obtain any Act, charter, privilege, concession, licence, authorisation, from any Government or State or Municipality, provisional order or licence of any authority for enabling the company to carry any of its objects into effect, or for extending any of the powers of the company, or for effecting any modification of the company's constitution, or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly to prejudice the company's interest.

32. To advertise and adopt means of making known the business activities of the company in any way as may be expedient including the posting of bills in relation thereto and the issue of circulars, books, pamphlets and the conducting of competitions, exhibitions and the giving of prizes, rewards and donations.
33. To purchase or otherwise acquire and undertake all or any part of business, property, liabilities and transactions of any person, firm or company carrying on any business which this company is carrying on or the carrying on of which is calculated to benefit this company or to advance its interest suitable for the purposes of the company.
34. To apply for, purchase or otherwise acquire and protect and renew trade marks, trade names, designs, licences, protections and concessions which may appear likely to be advantageous or useful to the company.
35. To employ experts to investigate and examine into the condition, prospects, value, character and circumstances of any assets, property or rights.
36. To train and pay for the training in India or abroad of any of the Company's employees or any candidates or to recruit and employ foreign experts in the interest or furtherance of the company's objects.
37. To provide for the welfare of the employees and ex-employees of the company and the wives, widows and families or the dependents or connections of such persons, by contributing to the building of houses, dwelling or chawls or by grant of money, pension and allowances, bonus, other payments or by creating and from time to time subscribing or contributing to a provident fund and other associates, institutions, funds of trusts and by providing or subscribing or contribution towards place of instruction and recreation, hospitals and dispensaries, medical and other assistance as the company may think fit and subject to the provisions of the Companies Act 1956 to subscribe or otherwise to assist or to guarantee/ money to charitable, benevolent, religious, scientific, national, public or other institution of objects or purposes.
38. To distribute any of the properties of the company amongst the members in specie or kind consequent upon the winding up of the company.
39. To do any activity as may be permitted by Reserve Bank of India from time to time and also to undertake carrying on the business which is explicit or implicit furtherance of the main objects.

C. OTHER OBJECTS:

01. To provide necessary financial assistance for comprehensive preliminary investigations, innovations and requisite working capital when these investigations, innovation and research eventuate in the establishment of industrial and commercial organisation engaged in activities related to housing on a commercial basis.
02. To carry on the business of advisers on problems relating to the administration and organisation of housing industry and the training of personnel for the housing industry and personnel consultants and of all systems of process relating to production, storage, distribution and marketing and sale of goods and/or relating to the rendering of services.
03. To engage in research into all problems relating to personnel, industrial and business management distribution, marketing and selling and to collect, prepare and distribute information and statistics relating to any type of business or industry relating to housing.
04. To provide information and guidance on government policies and regulations and to assist in obtaining various consents, approval from Government or other authorities or agencies which may be required for establishing and undertaking or in its diversification/expansion.
05. To undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers or for organizing lectures, conference or seminars, workshops, training programmes for giving merit awards, scholarships, loans or any other assistance to institutes, deserving students or

academic pursuits or researchers and for establishing assistance to any institution, fund, trust connected with housing.

06. Generally to do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them and to carry on any business which may seem to the company capable of being conveniently carried on in connection with any of the company's objects or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights.

And it is hereby declared that:

- The objects incidental or ancillary to the attainment of the main objects of the company as aforesaid shall also be incidental or ancillary to the attainment of the other objects of the company herein mentioned.
- The work "company" (save when used with reference to this company in this Memorandum shall be deemed to include any partnership or other body or association of persons whether incorporated or not and wherever domiciled.
- The object set forth in each of the several clauses of paragraph iii here of shall have the widest possible construction
- Nothing in this memorandum shall authorise the company to do any business which may fall within the purview of the Banking Regulation Act 1949 or the insurance Act 1938.

IV. The liability of the members is limited

- V. The Authorized Share Capital of the Company is Rs. 150,00,00,000 (Rupees One hundred fifty crores Only) divided into Rs 20,00,00,000 (Rupees Twenty crores) of Equity Share Capital consisting of 2,00,00,000 (Two Crore Only) equity shares of Rs.10/- (Rupees ten only) each and Rs.130,00,00,000 of 0.001% Non-cumulative Compulsorily Convertible Preference Shares (CCPS) consisting of 1,30,00,000 (one crore thirty lakh) 0.001% Non-cumulative Compulsorily Convertible Preference Shares of Rs 100/- (Rupees one hundred only) each.

(Clause V of the Memorandum is altered and the authorized capital is increased as per the ordinary resolution passed by the shareholders in the Annual General Meeting held on 16.09.2017)

We, the several person's whose names and addresses are subscribed hereto are desirous of being formed into a company in pursuance of the Memorandum of Association and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.

SL NO.	Names, Father's Name, Address Description and occupation of subscribers	Number of Equity shares Subscribed	Signature of subscriber	Signature of witness with name, address, description and occupation
1	M GOPALAKRISHNAN S/o Sri M Radhakrishnan No.11 Dr Rangachari Road, Mylapore, Madras 600 004 SERVICE	100	Sd/-	Sd/- N. Nagaiah S/o Sri N Nagama Reddiar 38, Bagaheerathi Ammal St. T. Nagar Chennai 17
2	V SURESH S/o. Sri K.V.Pillay (Executive Director – South Zone HUDCO) J – 1981, 15 th Main Road Anna Nagar West Madras – 600040 SERVICE	100	Sd/-	

3	B.B.SHETTY S/o. Sri B Lakkanna Shetty 27, Oliver Road, Mylapore Madras – 600004 SERVICE	100	Sd/-	
4	K SUBRAMANIAN S/o Late Sri K.R.Krishnaswmay Iyer S-27, 35 th Cross Street, Besant Nagar, Madras – 600090 SERVICE	100	Sd/-	
5	T.P.KARUNANANDAN S/o Sri T.R.Parthasarthy 19, Aspiran Garden Street, Kilpauk Madras – 600010 SERVICE	100	Sd/-	
6	KL RAMANATHAN S/o. Late Sri AR. Kulandaivelan Chettiar 151, Habibullah Road, T.Nagar Madras – 600017 SERVICE	100	Sd/-	Sd/- N Nagaiah S/o Shri S N Nagamani Reddiar No.38 Bagheerathi Ammal Street T Nagar Ch-17
7	P.V.SIVARAMAN S/o Late Sri P.R.Venkataraman A/21, Luz Apartments, 146, Luz Church Road, Madras – 600004 SERVICE	100	Sd/-	
8	M. RAJAVADIVELU S/o. Sri Marimuthu Pillai 3, Second Street, Bakthavatsalam Nagar, Adyar Madras – 600020 SERVICE	100	Sd/-	
9	S. SAMBANTHAM S/o. Sri Swaminathan Chettiar, No. 9, II Cross Street, Indira Nagar, Madras – 600020 SERVICE	100	Sd/-	
	Total	900		

Place: Madras

Date : 10 01 91

ARTICLES OF ASSOCIATION

OF

IND BANK HOUSING LIMITED

(Company limited by shares and incorporated
under the companies Act 1956)

CONSTITUTION OF THE COMPANY TABLE A EXCLUDED

"Table A not to apply"

1. The regulations contained in table A of the first schedule to the companies act, 1956 shall not apply to the company except in so far as they are embodied in the following regulations, which shall be the regulations for the management of the company.

INTERPRETATION

2. In these regulations unless there be something in the subject or context in consistent therewith, the following words are expressions shall have the following meanings.

"Act"

"The Act" means the Companies Act 1956 and includes any statutory modification or reenactment thereof for the time being in force.

"Board" or "Board of Directors"

"The Board" or "Board of Directors" means the meaning of Directors duly called and constituted or as the case may be, the Directors assembled at a Board Meeting or the requisite number of Directors entitled to pass a circular resolution in accordance with this article.

"Company"

"The Company" or "This Company" means the company above named.

"Capital"

"Capital" means the share capital for the time being raised or authorised to be raised, for the purpose of the company.

"Debenture"

"Debenture" includes debenture stocks and bonds

"Dividend"

"Dividend" includes Bonus

"The Directors"

"The Directors" means the directors for the time being of the company.

"Gender"

The word importing "masculine gender" shall include the feminine gender and vice versa.

"General Meeting"

"General Meeting" means General meeting of the Members.

"Annual General Meeting"

"Annual General Meeting" means a General Meeting of the members held in accordance with the provisions of the section 166 of the Act.

"Extraordinary General Meeting"

"Extraordinary General Meeting" means a General Meeting held in accordance with the provisions of section 169 of the Act and the adjourned meeting.

"HUDCO"

"HUDCO" means Housing & Urban Development Corporation Ltd.,

"Indian Bank"

"Indian Bank" means Indian Bank, a body corporate constituted under the banking companies (Acquisition & Transfer of Undertakings) Act, 1970.

"Managing Director"

"The Managing Director" means the Managing Director or Managing Directors of the company for the time being.

"Month"

"Month" means a Gregorian calendar month.

<i>"Members"</i>	"Members" shall mean the members of the company holding share or shares of any class and registered in the Share Register of the company.
<i>"Office"</i>	"The Office" means the registered of the company for the time being
<i>"Ordinary and Special resolution"</i>	"Ordinary resolution" and "Special resolution" shall have the meanings assigned thereto respectively by section 189 of the Act.
<i>"Paid-up Capital"</i>	"Paid-up Capital" includes capital credited as paid up.
<i>"Person"</i>	"Person" includes a company or corporation as well as individuals.
<i>"Proxy"</i>	"Proxy" includes attorney duly constituted under power of attorney.
<i>"Presents"</i>	These presents or regulations means these Articles of Association as originally framed or altered from time to time and in force for the time being and include the Memorandum of Association where the context so requires.
<i>"Register"</i>	"The Register" shall mean the Register of Members to be kept as required by section 150 of the Act.
<i>"Regulations"</i>	"Regulation" means the regulations (Provisions) contained in these Articles of Association.
<i>"Registrar"</i>	"The Registrar" means the Registrar of Companies, Tamilnadu.
<i>"Seal"</i>	"Seal" means the common seal for the time of the company.
<i>"Share"</i>	"Share" means share in the share capital of the company and includes stock except where a distinction between stock and shares is expressed or implied.
<i>"Singular number"</i>	The words importing "Singular number" shall include the plural numbers and vice versa.
<i>"Section"</i>	"Section" means section of the Companies Act, 1956
<i>"Writing"</i>	"In Writing" and "written" shall include printing, lithography or part printing and part lithography and any other mode or modes of representing or reproducing words in visible form.
<i>"Year"</i>	"Year" means a Gregorian calendar year.
<i>"Expression in these regulations to bear same meaning as in the Act"</i>	Subject to as aforesaid and except where the subject or context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act.
<i>"Marginal Note"</i>	The marginal note hereto shall not affect the contents of the regulations herein contained.

COMMENCEMENT OF BUSINESS

- | | |
|-----------------------------------|---|
| <i>"Commencement of Business"</i> | 3. The Company shall commence business or exercise any borrowing powers only after the requirement of section 149 of the Act shall have been complied with. |
|-----------------------------------|---|

CAPITAL

- | | |
|------------------|--|
| <i>"Capital"</i> | 4. The Authorised share capital of the company will be as mentioned in Clause V of the Memorandum of Association of the Company. |
|------------------|--|

4A -The Board subject to the provisions of the Act have power to issue various types preference shares including redeemable/convertible/partly convertible preference shares whether cumulative or non-cumulative in any manner permissible under the Act and the Directors may, subject to the provision of the Act, exercise such power in any manner as they deem fit including deciding on terms of issue, conversion, dividend, voting rights and other rights and obligations as they deem fit without the further approval of the Shareholders from time to time.

(clause 4 was altered and clause 4A was included in terms of the special resolution passed by the shareholders in the Annual General Meeting held on 16.09.2017)

SHARES AND CERTIFICATES

"Shares to be numbered progressively and no share to be sub-divided"

5. The shares in the capital shall be numbered progressively according to their several denominations and except the manner herein before mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
6. Subject to the provisions of these regulations and of the act, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the directors think fit and (subject to the provisions of the sections 78 & 79 of the Act) either at a premium or at par or at discount. Option or right to call of shares shall not be given to any person(s) without the sanction of the Company in General Meeting.

ALLOTMENT OF SHARES

"Acceptance of shares"

7. Any application signed by or on behalf of any applicant for shares in the company, followed by an allotment of any share herein shall be an acceptance of shares within the meaning of these Regulations; and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Regulations be a member.

"Return of allotments"

8. As regards all allotments made from time to time the company shall duly comply with the provisions of Section 75 of the Act.

"Prohibition of allotment unless minimum subscription received"

9. The company shall comply with the Provisions of section 69 of the Act in respect of an offer of its shares to the public for subscription.

"Commission and brokerage"

- 10 The company may exercise the powers of paying commission conferred by section 76 of the Act and in such case shall comply with the requirements of that section: such 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.

"Deposits and calls etc. to be a debt payable immediately"

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

"Liability of members"

- (b) Every member or his heirs, executor or administrators shall pay to the company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amounts, at such

time or times and in such manner, as the Board shall, from time to time, in accordance with the company's regulations require or fix for the payment thereof.

"Trust Not recognized"

12. Except in respect of shares held as nominee of Indian Bank & HUDCO or as required by law or ordered by a court of competent jurisdiction no person shall be recognized by the company as holding any share upon any trust and the company shall not be bound by or be compelled in any way to recognize even when having any notice thereof any benami, equitable contingent, future or partial interest in any share or any interest in any fractional part of a share (except only by these presents or by law otherwise provided) or any other rights in respect of any share, except in an absolute right to the entity thereof in the registered holder.

"Funds not to be applied in the purchase of its own shares".

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

"Certificates"

14. The certificates of title to shares and duplicates thereof when necessary shall be issued, under the seal of the company.

"Issue of shares for consideration other than cash"

15. Subject to these Regulations and the provisions of the Act, the Board may issue and allot shares in the capital of the company as payment or in consideration or as part payment or in part consideration of the purchase or acquisition of any property or for services rendered to the company in the conduct of its business and shares which may be so issued or allotted shall be credited or deemed to be credited as fully paid up shares.

"Member's right to certificate."

16. Every member shall be entitled to share certificate marketable lots of 100 each and where share certificate issued for either more or less than the marketable lot division or consolidation into marketable lots will be done of charge. Every certificate of shares shall specify certificate number and distinctive number of shares in respect which it is issued and the amount paid-up thereon.

"As to issue of new certificate in place of one defaced, lost or destroyed."

17. If any certificate be worn out or defaced, then, upon production thereof to the Board, they may order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board and on such indemnity, as the Board deem adequate being given, a new certificate in lieu thereof shall be given to the registered holder of the shares to which such lost or destroyed certificate shall relate.

"Fees"

18. No fee is chargeable in respect of issue of duplicate certificate in place of those which are old, descrepit, when or where the space provided on the reverse of the certificate recording transfer have been fully utilized.

CALLS

"Calls"

19. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the provisions of section 91 of the Act, make such calls as the Board thinks fit upon the members in respect of all the moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. A call may be made payable by instalments and shall be deemed to have been made when the resolution of the Board authorizing such call was passed.

"When interest on call or instalment payable" 20.(1) If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being in respect of the share for which the call shall have been made or the instalment shall be due shall pay interest for the same at the rate of twelve percent per annum from the day appointed for the payment thereof to the time of the actual payment, or at such lower rate (if any) as the Board may determine.

(2) The Board shall be at liberty to waive payment of any such interest either wholly or in part.

"Amount payable at fixed times or payable by instalments as calls" 21. 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 amount 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 and of which due notice had been give, and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly.

"Evidence in actions by company against shareholders" 22. Subject to the provisions of any law in force to the contrary on the trial or hearing of any action or suit brought by the company against any shareholder or his representative to recover any debt or money claimed to be due to the company in respect of his share, it shall be sufficient to prove that the name of the defendant is, or was, when the claim arose, on the Register as a holder or one of the joint holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the company and it shall not be necessary to prove the appointment of the Board who made any call, nor that the quorum was present at the Board meeting at which any call, nor that the meeting at which any call was made duly converted or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

"Payment of calls in advance" 23. The Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the money due upon the shares held by him beyond the sums actually called for and upon the money so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, ten percent per annum as the member paying such sum in advance and the Board agree upon. Money so paid in excess of the amount of calls shall not rank for dividends or confer any voting rights or a right to participate in profits. The Board may at any time repay the amount so advanced upon giving to such member not less than three month's notice in writing.

"Revocation of call" 24. A call may be revoked or postponed at the discretion of the Board.

FORFEITURE AND LIEN

"If call or instalment not paid notice may be given" 25. If any member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the company by reason of such non-payment.

"Form of notice" 26. The notice as stated in the preceding article shall name a day (not being less than 30 days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid

are to be paid. The notice shall also state that in the event of nonpayment at or before the time and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited.

- "If notice not complied with shares may be forfeited"*
27. If the requirement of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interests and expenses, due in respect thereof 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.
- "Notice after forfeiture"*
28. When any share shall have been so forfeited notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
- "Effect after forfeiture"*
29. The forfeiture of a share shall involve the extension, at the time of forfeiture, of all interest in and all claims and demands against the company, in respect of that share, and all other rights incidental to the share except such as are by these articles expressly saved.
- "forfeited share to become property of the company"*
30. Any share so forfeited shall be deemed to be the property of the company and the board may sell, reallocate or otherwise dispose of the same in such manner as it thinks fit.
- "Power to annual forfeiture"*
31. The Board may, at any time before any shares so forfeited shall have been sold, reallocated or otherwise disposed of, annual the forfeiture thereof upon such conditions as it thinks fit.
- "Liability of forfeiture"*
32. A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall, notwithstanding such forfeiture remain liable to pay and shall forthwith pay to the company all calls or instalments, interest and expenses owing upon or in respect of such share, at the time of forfeiture together with interest thereon, from the time of forfeiture, until payment at twelve percent per annum or such lower rate as the Board may determine and the Board may enforce the payment thereof or any part thereof, without any deduction or allowance for the value of the share at the time of forfeiture, but shall be under any obligation to do so.
- "Evidence of forfeiture"*
33. A duly verified declaration in writing that the declarant is a Director, the Managing Director, or Secretary of the company, and that certain shares in the company have 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 the shares and such declaration and the receipt of the company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such share: and the person to whom any such share is sold shall be registered as the holder of such share and shall not be bound to see the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.
- "Partial payment not to preclude forfeiture"*
34. Neither the receipt by the company of a portion of any money which shall from time to time be due from any member to the company in respect of his shares either by way of principal or interest, nor any indulgence granted by the company in respect of the payment of any such money, shall preclude the company from thereafter proceeding to enforce a forfeiture of such shares as herein before provided.

"Forfeiture provisions to apply to nonpayment in terms of issue"

35. The provisions of Articles 25 to 34 hereof 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 value of a share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

"Companies lien on shares"

36. The company shall have a first and per amount lien upon every share not being fully paid up registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for monies called or payable at a fixed time in respect of such share whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that article 12 hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such share. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the company's lien, if any on such share. The Board of Directors may at any time exempt any class shares from the applicability of these provisions.

"As to enforcing lien by sale"

37. For the purpose of enforcing such lien the Board may sell the share subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or his committee, curato bonis or other legal representative as the case may be and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such share for thirty days after the date of such notice.

"Application of proceeds of sale"

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

"Validity of sale in exercise of lien and after forfeiture."

39. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the share sold, and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money, and after his name has been entered in the Register in respect of such share the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the company exclusively.

"Board may issue new certificates"

40. Where any share under the powers in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered up to the company by the former holder of such share, the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered up.

TRANSFER AND TRANSMISSION

"Execution of transfer etc."

41. Save as provided in Section 108 of the Act, no transfer of a share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the company together with the certificate relating to the share or, if no such certificate is in existence, the Letter of Allotment of the share. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address.

"Applications by transferor"

42. Application for the registration for the transfer of a share 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 a partly paid share, be affected unless the company gives notice of the application to the transferee in the manner prescribed by section 110 of the Act, and subject to the provisions of these articles of the company shall, unless objection is made by 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 of the transfer was made by the transferee.

"Firm of transfer"

43. The instrument of transfer shall be in writing and all the provisions of section 108 of the companies act, 1956 and of any statutory modification thereof for the time being shall be duly complied with respect of all transfers of shares and the registration thereof.

"In what cases the Board may refuse to register transfer"

44. Subject to the provisions of section 111 of the Act the Board without assigning any reason for such refusal, may refuse to register any transfer of or the transmission by operation of law of the right to a share, provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company or any account whatsoever except a lien on the shares.

"No transfer to minor etc:"

45. No transfer of shares shall be made to a minor or person of unsound mind.

"Transfer to be left at office: when to be retained"

46. Every instrument of transfer shall be left at the office for registration accompanied by the certificate of the share to be transferred or, if no such certificate is in existence, by the later of allotment of the share and such other evidence as the Board may require to prove the right of the transferor to transfer the share. Every instrument of transfer, which shall be registered, shall be retained by the company, but any instrument of transfer, which the board may refuse to register, shall be returned to the person depositing the same.

"Notice of refusal to register transfer"

47. If the Board refuses whether in pursuance of Article 44 hereof or otherwise to register the transfer of, or the transmission by operation of law of the right to any share, the company shall give the notice of the refusal in accordance with the provisions of section 111 (2) of the Act.

"Transmission of as to survivorship"

48. The executor or administrator of the deceased member (not being one of several joint holders) shall be the only person recognized by the company as having any title to the share registered in the name of such member, and, in case of the death of any one or more of the joint holders of any registered share, the survivor or survivors shall be the only person or persons recognized by the company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of deceased joint holder from any liability on the share held by him jointly with any other person. Before recognizing any executor or administrator the Board may require him to obtain a Grant of Probate or letters of administration succession certificate or other legal representation, as the case may be from a competent Court in India. Provided nevertheless that in any case where the Board in its obsolete discretion things fit it shall be lawful for the board to dispense with the production of probate of letters of administration, succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may consider adequate.

"As to transfer of shares of insane, deceased or bankrupt members"

49. Any committee or guardian of a lunatic member or any person becoming entitled to or to transfer a share in consequence of the death or bankruptcy or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this

"Transmission Articles"

article or of his title as the Board things sufficient, may with the consent of the Board (which the Board shall not be bound to give) be registered as a member in respect of such share, or may, subject to the regulations as to transfer herein before contained transfer such share. This article is herein after referred to as "the Transmission Articles".

"Election under transmission article"

- 50.(1) If the person so becoming entitled under the transmission article shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the share.
- (3) All the limitations, restrictions and provisions of these articles relating to the right to transfer and the registration of instruments of transfer of a share shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and notice of transfer where a transfer signed by that member.

"Rights of persons entitled to shares under the transmission article"

51. A person so becoming entitled under the transmission article to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall subject to the provisions of section 206 of the Act, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the share.

Provided that the Board may at any time give notice requiring any such person to elect to 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 payments of all dividends, bonuses or other monies payable in respect of the share, until requirements of the notice have been complied with.

"Board may require evidence of transmission"

52. Every transmission of share should be verified in such manner as the directors may require and the company may refuse to register any such transmission until the same to be verified or until and unless an indemnity be given to the company with regard to such registration which the directors in their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the company of the directors to accept any indemnity.

"Transfer by legal representative"

53. A transfer of the share in the company of the deceased member thereof made by his legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

"Registered instrument to remain with the company"

54. Every instrument of transfer which is registered shall remain in the custody of the company until destroyed by order of the Board.

"No fee for transfer or transmission"

55. No fee is chargeable by the company in respect of transfer or transmission of any shares and for registering any letters of probate, letters of administration and similar other documents in the Company.

ALTERATION OF SHARE CAPITAL*"Power to increase capital"*

56. The company may, from time to time in general meeting increase its share capital by creation of new shares of such amount as it thinks expedient.

"New shares to be offered to existing members"

57. When at any time subsequent to the first allotment of shares in the Company it is proposed to increase the subscribed capital of the Company by the issue of new shares, then, subject to any directions to the contrary

which may be given by the Company in general meeting and subject to the provisions of the Companies Act 1956, 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 upon those shares at that date; and such offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in the notice aforesaid, are on receipt of earlier intimation from the person to whom such notices is given that he declines to accept the shares offered, the Board of directors may dispose of them in such manner as they think most beneficial to the company.

Notwithstanding anything herein contained the new shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of the offer, are holders of the equity shares of the company, in any manner whatsoever:

- (a) If a special resolution to that effect is passed, by the company in general meeting.

Or

- (b) Where no such special resolution is passed, if the votes cast (whether on a show hand or on a poll, as the case may be) in favour of the proposal contained in the resolution moved at the general meeting sanctioning the issue of such shares (including the casting vote, if any, of the chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by the members so entitled and voting and Central Government is satisfied, on an application made by the Board of Directors in that behalf, that the proposal is most beneficial to the company.

"New capital same as original capital"

58. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions of these presents.

"Reduction of capital"

59. Subject to confirmation by the court, the company may, by special resolution, reduce its share capital in any way and in particular and without prejudice to the generality of the forgoing power, may:

- (a) Extinguish or reduce the liability on any of its shares in respect of share capital not paid up.
 (b) Either with or without extinguishing or reducing liability on any of its shares, cancel any paid up share capital which is lost or unrepresented by any assets:

or

- © Either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the company; and may, if and so far as is necessary, alter its memorandum by reducing the amount of its share capital and of its share accordingly.

"Subdivision and consolidation of shares"

60. The company in general meeting may alter the conditions of its memorandum of association for the following purposes.

- (1) To consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
 (2) Convert all or any of its fully paid of shares into stock and reconvert that stock into fully paid up shares of any denomination,
 (3) To subdivide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum, subject to the provisions of section 94 (10d) of the Act.

- (4) To cancel any shares which at the date of passing of resolution, have not been taken or agreed to be taken by any person.

"Rights in respect of shares of subdivision"

61. Where any share capital is subdivided, the company in general meeting, subject to the provisions of section 85, 87,88 and 106 of the Act, may determine that, as between the holders of the share resulting from subdivisions, one or more of such shares shall have some preference or special advantage over others as regards dividend, repayment of capital, voting or otherwise.

The shares of the Company will be split up/consolidated in the following circumstances (i) At the request of the member/s for split up of shares in marketable lot. (ii) At the request of the member/s for consolidation of fraction shares into marketable lot.

MODIFICATION OF RIGHTS

"Power to vary rights"

62. When ever the share capital, by reason of preference shares are otherwise is divided into different classes of shares, all or any of the provisions of section 106 and 107 of the Act, be modified, commuted, affected abrogated or dealt with by the consent in writing of the holders of not less than three fourths of the issued shares of that class, and supported by the vote of that class and all the provisions hereinafter contained as the general meeting shall, mutates mutandis, applied to every such meeting.

BORROWING POWERS

"Power to borrow"

63. Subject to the provisions of the sections 292 and 293 of the act the Board of Directors may from time to time by a resolution passed at a meeting of the board except deposits from members, either in advance of calls or otherwise and may generally raise or borrow or secure the payment of any sum or sums of money to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such monies without the consent of the company in general meeting.

"Conditions of repayment of monies borrowed"

64. The payment or repayment of monies borrowed pursuant to article 63 of these presents may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit including by the issue of debentures of the company charged upon all or any part of the undertakings or properties of the company (both present and future) and its uncalled share capital for the time being pursuant to a resolution passed at the meeting of Board of Directors but not by its circular resolution.

"Debentures and Securities to be subject to control of Directors"

65. Any debenture, bonds or other securities issued or to be issued by the company shall be under the control of the directors who may issue them upon such terms conditions and in such manner an for such consideration as they shall consider to be for their benefit of the company.

"Securities may be made assignable free from equities"

66. Debentures, Bonds or other securities of the company may be made assignable free from any equities between the company and the person to whom the same may be issued.

"Issue of Debenture at discount, etc"

67. The company may issue any debentures, bonds or other securities at a discount, premium or otherwise, and with any special privileges as to redemption, surrender, allotment of shares appointment of directors and otherwise as it may think fit, provided that debentures with a right to allotment of or conversion into shares other than debentures issued to any institution specially by the central government in this behalf for the purpose of clause (b) of the provision to subsection (3) of section 81 of the Act

shall be issued only by a special resolution of the company in general meeting.

"Mortgage of uncalled capital"

68. If any uncalled capital of the company is included in or charged by any mortgaged or other security, the board may subject to the provisions of the Act at and these articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

69. If the directors or any of them or any other persons shall become personally liable for the payment of any some primarily due from the company, the directors 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 save the directors on persons so becoming liable as aforesaid from any loss in respect of such liability.

"Priority overcharged on uncalled capital"

70. 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 share holders or otherwise, to obtain priority over such prior charge.

RESERVE AND DEPRECIATION FUNDS

"Reserve fund"

71. The Directors may from time to time, before recommending any dividend set apart by way of reserves such portion of the profits of the Company as they think fit as a Reserve Funds to meet contingencies of for the liquidation of any debentures, debts or other liabilities of the company, for equalization of dividends or for repairing, improving and maintaining any of the property of the company and for such other purposes of the company as the Directors in their absolute discretion think conducive to the interest of the company and may invest the several sums so set aside upon such investments and dispose of all or any part thereof for the benefit of the company and may divide the Reserve Funds into such special funds as they think fit with full power to transfer the whole or any portion of the Reserve funds to another Reserve Funds or a division of a Reserve Fund and also with full power to employ the Reserve Funds or any part there of in the business of the company separate from the other assets and without being bound to pay interest on the same.

"Depreciation Fund"

72. The Directors may, from time to time before recommending any dividend, set apart any such portion of the profits of the company, as they think fit, as a depreciation fund applicable at the discretion of the Directors, for providing against any depreciation in the investments of the company or for rebuilding, restoring, replacing or for altering any part of the buildings, work, plant, machinery or other property of the company, destroyed or damaged by fire, flood, storm, tempest, earthquake, accident, riot, wear and tear or any other means whatsoever and for repairing altering and keeping in good condition the property of the company or for extending and enlarging the building, machinery and property of the company will have full power to employ the assets constituting such depreciation fund in the business of the company and that without being bound to keep the same separate from other assets.

"Investment of moneys"

73. All moneys carried to any reserve fund and depreciation fund respectively shall nevertheless remain and be profits of the company applicable subject to due provisions being made for actual loss or depreciation, for the payment of dividend and such moneys and all the other moneys of the company may be invested by the directors in or upon such investments or securities as they may select or may be used as working capital or may be kept at any bank on deposit or otherwise as the directors may from time to time think proper.

GENERAL MEETINGS

"When Annual General Meetings to be held"

74. In addition to any other meetings, General Meetings of the company shall be held within such intervals as or specified in section 166 (1) of the Act and , subject to the provisions of section 166(2) of the Act, at such times and places as may be determined by the Board. Each such General Meeting shall be called an "Annual General Meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the company except a meeting convened on the requisition of the Members in accordance with section 169 of the Act shall be called a "General Meeting".

"When other Extraordinary General Meeting to be called"

75. The Board may when ever it thinks fit call a General Meeting and it shall on the requisition of the Members in accordance with section 169 of the Act, proceed to call an Extraordinary General Meeting. The requisitionists may, in default of the Board convening the same convene the Extraordinary General Meeting as provided by section 169 of the Act.

"Circulation of Members' resolution "

76. The company shall comply with the provisions of the section 188 of the Act as to giving notice of the resolution and circulating statements on the requisition of Members.

"Notice of Meeting"

77. Save as provided in sub-section (2) of section 171 of the Act, not less than
(1) twenty-one days notice shall be given of every general meeting of the company. Every notice of a meeting shall specify the place and the day and hour of the meeting and shall contain the statement of the business to be transacted thereat and there shall appear with reasonable prominence in every such notice a statements of that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead d of him and that a proxy need not be a member of the company. Where any such business consist of "Special Business" as herein after defined in Article 78 hereof there shall be annexed to the notice a statement complying with section 173 (2) and (3) of the Act.

(2) Notice of every meeting of the Company shall be given to every member of the company, to the Auditors of the company and to any persons entitled to a share in consequence of the death or insolvency of a member in any manner herein after authorized for the giving of notices to such persons. Provided that where the notice of a general meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the office under sub-section (3) of section 53 of the act, the statement of material facts referred to in section 173 (2) of the act need not be annexed to the notice as required by that section but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the company.

(3) The accidental omission to give any such notice to or its non -receipt by any member or other person to whom it should be given shall not invalidate the proceedings of the meeting.

"Special Business"

78. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at a annual general meeting, with the exception of business relating to the consideration of the accounts, balance sheets and the reports of the board and the auditors, declaration of dividend, appointment of directors in the place of those retiring and the appointment and fixing of the remuneration of the auditors.

PROCEEDINGS AT GENERAL MEETINGS

"Business of Meetings"

79. The ordinary business of annual general meeting shall be to receive and consider the profit and loss account, the balance sheet and the reports of the Directors and of the auditors, to elect directors in the place of those retiring by rotation, to appoint auditors and fix their remuneration and to declare

dividends. All other business transacted at any General meeting and all business transacted at any other general meeting shall be deemed special business.

- "Quorum to be present when business commences"*
80. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided five members present in person shall be a quorum.
- "When, if quorum not present, meeting to be dissolved and when to be adjourned"*
81. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members as aforesaid, shall be dissolved; but in any other case it shall stand adjourned in accordance with the provisions of sub-sections (3), (4) and (5) section 174 of the Act.
- "Resolution to be passed by the company in general meeting"*
82. Any act or resolution which under the provisions of these articles of the act is permitted or required to be done or passed by the company in general meeting shall be sufficiently so done or passed if effected by an ordinary resolution as defined in section 189 (1) of the Act, unless either the act or these articles specifically require such act to be done or resolution passed by a special resolution as defined in section 189(2) of the Act.
- "Chairman of General Meeting"*
83. The Chairman of the Board of Directors or in his absence the Vice-Chairman of the Board shall, if willing, preside as Chairman to every General Meeting, Annual or Extraordinary. If there be no such Chairman or if at any meeting he shall not be present fifteen minutes after the time appointed for holding such meeting to being present declines to take the chair, the Directors present may choose one of their members to be Chairman of and in default of their doing so, the members present shall choose one of their Directors to be Chairman and elect one of their members to be one of the chairman, it shall be take forthwith in accordance with the provisions of the Act and these present and the Chairman elected on show of hands shall exercise all the powers of the chairman and under the said provisions. If some other person is elected Chairman as a result of the poll, he shall be the chairman for the rest of the meeting.
- "Meetings to be adjourned"*
84. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall stand dissolved, but, in any other case, it shall stand adjourned to the same day in the next week, at the same time and place to such other day, time and place as the Directors may notice to the shareholders appoint. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, those members present shall constitute a quorum and may transact the business for which the meeting was called.
- "Voting to be by show of hands in first instance and motion how decided in case of equity of votes"*
85. At any general meeting a resolution put to the vote of the meeting shall undertake a poll is demanded under section 179 of the Act be decided on a show of hands. In the case of an equality of votes, the chairman shall both on a show of hands and at the poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.
- "What would be evidence of the passing of a resolution where poll not demanded"*
86. A declaration by the chairman that on a show of hands a resolution has or has not been carried either unanimously or by a particular majority, 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 the votes cast in favour of or against such resolution.
- "Demand for Poll"*
87. Before or on the declaration of the result of the voting on any resolution on a show of hand, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him at a demand made in that behalf by any member or members present in person

or by a proxy and holding shares in the company, which confers the power to vote on the resolution not being less than 1/10 of the total voting power in respect of resolution, or on which an aggregate sum of not less than rupees 50,000/- has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who met the demand.

"Poll"

- 88 (1) If a poll be demanded on a question of adjournment or election of chairman the poll 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 the demand was made, and in such a manner and at such place as the Chairman of the meeting may direct.
- (2) The demand of a poll shall not prevent the continuous of a meeting or the transaction of any business other than the question on which a poll has been demanded.
- (3) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers, at least one of whom shall be a member (not being an officer or an employee of the company) present at the meeting, provided that such a member is willing to scrutinize the votes.

"Right of Member to use his votes differently"

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

"Power to adjourn General Meeting"

90. The Chairman of a General Meeting may, with the consent of the General Meeting, adjourn the same, 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. He shall not be necessary to give any notice of an adjournment or of the business to be transacted at the adjournment meeting.

"Resolution passed and adjourned meetings"

91. Where a resolution is passed at an adjournment meeting of the company of the holders of any class of shares in the company, the resolution shall, for all purposes, be treated as having been passed on the date which it was, in fact, passed and shall not be deemed to have been passed on any earlier date.

"Minutes of General Meeting"

92. The company shall cause minutes of proceedings of general meetings to be entered in the book kept for that purpose and the minutes shall contain and include the matters specified in section 193 of the Act. No report of proceeding of any general meeting of the company shall be circulated or advertised at the expenses of the company unless it includes the matters required by section 193 of the Act to be contained in the minutes of the proceeding of the meeting.

"Inspection of Minute Book"

93. The books containing the aforesaid minute shall be kept at the office and shall be opened to the inspection of any member without any charge as provided in section 196 of the act and the members shall be furnished with a copy of any minutes in accordance with the provision of that section.

"Voting rights"

- 94.(1) Save as hereinafter provided, on a show of hands every member entitled to vote and present in person or by an agent duly authorised under a power of attorney shall have one vote and on a poll every member entitled to vote and present in person or by an agent duly authorized under the power of attorney or by proxy shall have one vote for every share held by him.
- (2) Every member of the company holding any preference share shall not be entitled to vote at General meetings of a company except as provided by section 87 (2) of the act.

- (3) Where the company accepts from any member all or any part of the money due in respect of the shares held by him beyond the sums actually called for, the member shall not be entitled to any voting rights in respect of the monies so paid by him.

"Representation of Member Companies."

95. If a body corporate (where a company within the meeting of a act or not) is a member of the company or creditor of the company (including a debenture holder), then he shall be entitled through a resolution of its Board, to authorize such persons as it thinks fit to act as its representative at any meeting of the company, or any meeting of the creditor creditors of the company held in pursuance of the act or in pursuance of the provisions contained in any debenture or trust deed. A person authorized by a resolution as aforesaid shall be entitled to exercise the same rights and powers, including the right to vote by proxy, which shall the body corporate could exercise if it were an individual member or creditor of the company.

"Votes of members of Unsound Mind"

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

"Votes in respect of shares of deceased and bankrupt members"

97. Any person entitled to transfer any shares by virtue of Article 53 of these Article may vote at a General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors or any person authorized by the Directors in that behalf, of his right to such shares and furnishes such indemnity as the Directors may require.

"Votes by proxies"

98. On a poll voters may be given either personally or by proxy, or, in the case of a company or other body corporate, by a representative duly authorized as aforesaid. Every notice convening a meeting of the company shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.

"Instruments appointing proxy"

99. The instrument appointing a proxy shall be in writing, under the hand of the appointer or of his attorney duly authorized in writing or, if such appointer is a corporation, under its common seal or the hand of an officer or an attorney duly authorized by it. A proxy appointed, as aforesaid shall not have any right to speak at any meeting.

"Deposited at the Registered office"

100. The instrument appointing a proxy and the power of attorney or other authority under which it is signed duly authorised certified copy of that power of authority shall be deposited at the office not less than ninety six hours before time of holding the meeting at which the persons named in the instrument of proxy shall not be treated as valid.

"Votes valid though authority revoked"

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

"Form of proxy"

102. Every instrument appointing a proxy, whether for a specified meeting or otherwise shall be in either of the forms prescribed by Schedule IX to the Act or in a form as near as circumstances will admit and shall be retained by the company.

"Time and place to inspect the proxies lodged"

103. Every member entitled to vote at a meeting of the Company on any resolution to be moved there at shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days notice in writing of the intention to inspect the proxies is given to the company.

"Restrictions"

104. No member shall be entitled to vote at a resolution either personally or by proxy at any General meeting or be reckoned in a quorum, while any call or other sum in respect of any of the shares of such member shall be due and payable to the company or in regard to any shares on which the Company has exercised any lien.

"Objections regarding validity of votes"

- 105 Any objection as to the admission or rejection of a vote made on a show of hands or on a poll, shall be referred to the Chairman of the meeting who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive.
- (1)
- (2) No objection shall be made to the validity of any vote on a show of hands or on a poll except at the meetings at which such vote shall be tendered and every vote, whether given personally or by proxy, not disallowed at such meeting, shall be deemed valid for all purposes.

DIRECTORS

"First Directors"

106. The first Directors of the Company shall be:

1. Sri.M Gopalakrishnan
2. Sri.B Balakrishna Shetty
3. Sri.T P Karunadan
4. Sri.M Rajavadivelu
5. Sri.S Sambantham
6. Sri V Suresh

"Number of Directors"

107. Until otherwise determined by the General Meeting and subject to the provisions of Sections 252 & 259 of the Act the number of Directors shall not be less than 3 or more than 12 exclusive of ex-officio Directors and nominee Directors.

"Powers of Directors to appoint additional Directors"

108. Subject as aforesaid, the Directors shall have power at any time and from time to time, to appoint any other person or persons as Director of Directors, either to fill a casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed. But any director or Directors so appointed shall hold office only until the next following Annual General Meeting of the company and shall then be eligible for the reelection. If any casual vacancy has not been filled by the Board upto the date of the Annual General Meeting of the company next following the arising of the vacancy, the same may be filled by ordinary resolution of the members at such Annual General Meeting.

"Powers of Managing Director"

109. Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 292 thereof the Board may from time to time entrust to and confer upon the Managing Director for the time being such of the powers exercisable under these presents by the Directors as they may think fit and may confer such power for the time being and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think fit: and they may confer such powers, either collaterally with, or to the exclusion of, and in

substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

*"Power to appoint
Nominee Directors"*

110. Notwithstanding anything to the contrary contained in these articles, so long as any monies remain owing by the company to the Industrial Development Bank Of India (IDBI), Industrial Finance Corporation Of India (IFCI) the Industrial Credit and Investment Corporation of India Ltd (ICICI), and Life Insurance Corporation of India (LIC), HUDCO Banks or to any other financing corporation or credit corporation or to any other financing company or body out of any loans granted by them to the Company or as long as IDBI, IFCI, ICICI, LIC banks and Unit Trust of India (UTI) or any other Finance Corporation or Credit Corporation or any other Financing Company or Body each of which IDBI, IFCI, ICICI, LIC, HUDCO Banks and Unit trust of India (UTI) or any other Finance corporation or Credit Corporation or any other Financing Company or body is (hereinafter in this article referred to as "the Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the corporation holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding the corporation shall have a right to appoint from time to time any person or persons as a Director or Directors, wholetime or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Directors") on the board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his , or their places.

So long as HUDCO, continues to hold 25 per cent or more of the equity share capital of the company, it shall have the right to nominate a nominee(s) on his behalf on the Board of directors. Such nominee(s) shall not be liable to retire by rotation.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid the nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as any monies remains owing by the Company to the Corporation or so long as the Corporation holds debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall inso facto vacate such office immediately the monies owing by the Company to the corporation ceasing to hold debentures/shares in the company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.

"Special Directors"

111. The Company shall, subject to the provisions of the act, be entitled to agree with any Government, persons, firm or body, corporate that he or it shall have the right to appoint his or its nominee on the Board of Directors of the company upon such terms and conditions as the company may deem fit. Such nominee and their successors in office appointed under this article shall be called "Special Directors" of the company.

*"Terms of office of Special
Directors"*

112. The Special Directors appointed under the last preceding article shall be entitled to hold office until retired by the Government, person, firm or body corporate who may have appointed them, and will not be bound to retire by rotation or be subject to articles hereof. A special Director shall not require any qualification share holding. As and whenever a special Director

vacates office whether upon request as aforesaid or by death, resignation or otherwise, the Government, person, firm or body corporate who appointed such special director or other notification under this article shall be in writing and shall in the case of a Government, be under the hand of a Director of such Company duly authorized in that behalf by a resolution of the Board of Directors. Subject as aforesaid, a special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

"Casual vacancy and appointment of additional Directors"

113. The company in general meeting and subject to the provisions of sections 260, 262, 284 (5) and 284 (6) of the Act, the Directors shall have power at any time and from time to time to appoint any qualified person to be director either to fill a casual vacancy or as an addition to the board, but so that the total number of Directors shall not at any time exceed the maximum number fixed above.

"Increase or Reduction in number of Directors"

114. Subject to the provisions of Sections 258 and 259 of the Act, the Company may from time to time in general meeting and subject to the provisions of these articles and to any undertakings by the company to the contrary, increase or reduce the number of directors and may make any appointments necessary for effecting such increase. The Company may also alter the qualification of Directors. Provided however that this article shall not be construed as authorizing the removal of Director otherwise than as provided in these articles.

"Share Qualification of Director"

115. A Director need not hold any shares in the Company to qualify him for the office of a Director of the Company.

"Retirement of Directors by rotation"

116. At every annual General Meeting one third of such of the Directors for the time being or, if the numbers is not three or multiply of three, then the number nearest to one third shall retire from office, but shall be eligible for reelection. A Director retiring at a meeting shall retain office until the close of the meeting. The nominee Director or alternate director shall not be taken into account in determining the rotation of Directors by retirement of the number of Directors to retire.

"Ascertainment of Directors retiring by rotation"

117. The directors to retire by rotation at every annual general Meeting in every year shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall (unless or otherwise agree among themselves) be determined by lot.

"When Directors deemed to be reappointed"

118. If at any meeting at which an election of Directors opt to take place the places of the retiring Directors are not filled up, the meeting shall, unless if shall be determined at any such meeting to reduce the number of directors, stand adjourned to the same day in the next week at the same time and place and, if at the adjourned meeting the places of the retiring Directors are not filled up, then the retiring Directors are such of them as have not had their places filled up shall be deemed to be reelected At such adjourned meeting.

"Right of persons other than retiring Directors to stand for Directorship"

119. No person not being a retiring director shall unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting unless he or some other member intending to propose him, as atleast fourteen clear days before their meeting, left at the office a notice in writing duly signed, signifying his candidature for the office of the intention of such member to propose him.

"Appointment of alternate Directors"

120. The board of directors of the company may appoint an alternate director to act for a director (hereinafter called "the original director") during his absence for a period of less than three months from the state of Tamilnadu and search appointments, shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. An alternate director appointed under this article shall not hold office as such for a period longer than that permissible to the original director in whose place he has been appointed and shall vacate office if and when the original director returns to the state of Tamilnadu. If the term, of office of the original director is determined before he so return to the state of Tamilnadu any provision in the act or in these articles for the automatic reappointment of retiring directors in default of another appointment shall apply to the original director and not the alternate director.

"Remuneration of Directors"

121. The fee payable to a Director for attending a meeting of the Board or committee thereof shall be such sum as may be fixed by the board from time to time within the limits prescribed by law or approved by the Central Government from time to time. The Directors shall also be paid any traveling, hotel and boarding expenses incurred to attend Director's Committee Meeting.
- (a)
- (b) The Directors may offer and pay to any director who is not a bonafide resident of the place where a meeting is held and who shall come to such place for the purpose of attending a meeting, such sum as directors may consider fair compensation for traveling, hotel and other expenses in addition to his remuneration as above specified and the Directors may from the to time fix the remuneration to be paid to any member or members of their body consulting a committee appointed by the directors in terms of these presents and may pay the same.

"Traveling expenses of Directors"

122. The Directors may subject to limitations provided by the act allow and pay to any director who is not the resident of the place where the Registered Office for the time being of the company is situated or where the meeting of the board is held and who shall come to search place for the purpose of attending a meeting of the Board or a committee thereof, such sum as the directors may consider fair compensation for traveling and other expenses, in addition to fees, if any, for attending such meeting as above.

"Remuneration for Extra Services"

123. If any director, being willing shall be called upon to perform extra services or to make any special exertions in going or residing abroad or otherwise for any of the purposes of the company, the company shall remunerate such director in such manner as may be determined by the board of directors and such remuneration may be in addition to the fee payable to him under the preceding article. Attendance at a board meeting or committee meeting at the registered office of the company shall not be deemed to be extra service or special exertion within the meaning of this article.

"Directors may act notwithstanding vacancy"

124. The continuing directors may act notwithstanding any vacancy in their body, but so that subject to the provisions of the act, if the number falls below the minimum above fixed and notwithstanding the absence of a quorum, the directors may act for the purpose of filling up vacancy or for summoning a general meeting of the company or in emergencies.

"Director to hold office other than that of Auditor"

125. Subject to the provisions of Section 314 of the Act in respect of an office of profit, a Director may hold any other office under the Company, except that of Auditor in conjunction with the office of Director, and on such terms as to remuneration and otherwise as the Directors may arrange.

"Office of the Director to be vacated"

126. The office of a Director shall become vacant if.
- (1) a) he is found to be of unsound mind by a Court of competent jurisdiction or

- b) he applies to be adjudged insolvent; or
 - c) he is adjudged an insolvent; or
 - d) he is convicted by court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
 - 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 as by notification in the official Gazette removed the disqualification incurred by such failure; or
 - f) he absents himself from three consecutive meetings of the board of Directors 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 or.
 - g) He (whether by himself or any person for his benefit or on his account) or any firm in which he is partner or any private company of which he is director accepts a known or any guarantee of security for a loan from the company in contravention of Section 295 of the act; or
 - h) He acts in contravention of section 299 of the act; or
 - i) He becomes disqualified by an order of the court under section 203 of the act; or
 - j) He is removed by an ordinary resolution of the company before the expiry of his period of office in pursuance of section 248 of the act; or
 - k) Having been appointed a director by virtue of his holding any office or other employment in the company he ceases to hold such office or other employment in the company; or
 - l) He is deemed to have vacated office under the provisions of section 314 of the act, by any office or place of profit being held in contravention thereof.
- (2) Notwithstanding any thing contained in classes (c), (d), (i) of sub clause (1) hereof, the disqualification referred to in those clauses shall not take effect-
- a) For thirty days from the day of the adjudication, sentence or order;
 - b) Where any appeal of 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 seven days aforesaid, any further appeal or petition is performed in respect of the adjudication, sentence, conviction or order and appeal or petition, if allowed, would result in the removal of the disqualification, until such, further appeal or petition is disposed of.

"Resignation"

127. A Director may resign his office at any time by notice in writing addressed to the company or to the board of Directors.

"Directors may contract with company"

- 128 Subject to the provisions of sub clauses 2,3 and 4 of this articles and the other articles hereof and the act and the observance and fulfillment thereof, no director shall be disqualified by his office from contracting with the company either as vendor, purchaser, agent, broker, or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the company in which any Director shall be in any way interested be avoided nor shall any Director contracting or being so interested be liable to account to the company for any profit realized by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him as provided by sub clauses 2, 3 and 4 hereof

"Disclosure of interest"

- (2) A director of the company who is in any way, whether directly or indirectly

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

"General notice of interest"

- (3) For the purpose of this article, a general notice given to the Board of Directors to the effect that he is a director or member of a specified body corporate or he is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice entered into with that body corporate or firm shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further period of one financial year, at a time by a fresh notice given in the last month of the financial year, in which it would have otherwise expired. The general notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

"Interested Director not to participate or vote in Board's proceedings"

- (4) An interested Director shall not take part in the discussions of or vote, on any contract or arrangement entered into or to be entered into, by or on behalf of the company, if he is any way, directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussions or vote; and if he does vote, his vote shall be void;
Provided that this prohibition shall not apply:
- i) to any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the company;
 - ii) to any contract or arrangement entered into with a public company or a private company which is subsidiary of public company in which the interest of the Director consists solely (a) in his being a director of such company and the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as Director thereof, he having been nominated as such director by the company or (b) in his being a member individually or collectively with other interested directors holding not more than two percent of company's paid up share capital
 - iii) in case a notification is issued under sub section 3 of the section 300 of the act to the extent specified in the notification.

"Register of contracts in which Directors are interested"

- 129 The company shall keep one or more registers in which shall be entered particulars of all contracts or arrangements including the date of the contract or arrangement, the names of the parties thereto, the principal terms and conditions thereof, the date on which it was placed before the Board of Directors, the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.
- (2) Particulars of every such contract or arrangement shall be entered in the Register aforesaid:
- a) in the case of a contract or arrangement requiring the Board's approval within 7 days (exclusive of public holidays) of the meeting of the Board at which a contract or arrangement was approved.
 - b) In the case of any other contract or arrangement within 7 days from receipt at the registered office of the company of the particulars of such other contract or arrangement, whichever is later

and the Register shall be placed before the next meeting of the board and shall then be signed by all the Directors present at the meeting

- (3) The Register aforesaid shall also specify in relation to each director of the company the names of the bodies corporate and firms of which notice has been given by him.

*"Directors may be
Directors of the Companies
promoted by the company"*

130. A Director of this company may be, or became, a director of any other company promoted by the company or in which is may be interested as a vendor member, or otherwise, and subject to the provisions of the Act and these articles, no such directors shall be accountable for any benefits received as Director or member of such company.

*"Disclosure by Directors
of appointments"*

131. A Director shall within 20 days of his appointment to or relinquishment of his office of a Director, Manager to Secretary in any other body corporate disclose to the company the particulars relating to is office in the other body corporate with are required to be specified under section 303 (1) of the Act. The company shall enter the aforesaid particulars in a register kept for that purpose in conformity with section 303 of the act.

"Disclosure of holdings"

132. A Director or Manager shall give notice in writing to the company of his holdings of shares and debentures of the company or company's subsidiary, or holding company or a subsidiary of the company's holding company together with such particulars as may be necessary to enable the company to comply with the provisions of section 307 of the Act. If such notice be not given at a meeting of the Board, the Director or Manager shall take all reasonable steps to secure that it is brought up and read at the meeting of the board next after it is given. The company shall enter the particulars of the Director's or Manager's holding of shares and debentures as aforesaid in the register kept for that purpose in conformity with section 307 of the act.

*"Director not to hold office
of profit"*

133. Except with the consent of the company accorded by a special resolution passed at the General Meeting of the company held for the first time after the holding of an office or place of profit, no director of the company, no partner or relative of a director, no firm in which such a Director or relative is a partner, no private company of which such a Director is a Director or member and no director or manager of such private company shall hold any office or place of profit under the company or under its subsidiary except as provide under section 314 of the companies Act. Provided further that where a relative of a Director of firm in which such a relative is partner is appointed to an office or place of profit under the company or a subsidiary thereof without the knowledge of the Director, the consent of the company may be obtained either in General Meeting aforesaid or within 3 months from the date of appointment whichever is later. The company shall also comply with the provisions of section 314 (b) of the Act.

"Loans to Directors"

134. The Company shall observe the restrictions imposed on the company in regard to grant of loans to Directors and other persons as provided in section 295 and other applicable provisions (if any, of the act)

*"Board resolutions at a
meeting necessary for
certain contracts"*

135. Subject to the provisions of Section 297 of the Act a Director or his relative, a firm in which such Director or relative is a partner, or any other partner in such a firm, or a private company in which the Director is a member or Director, shall not enter into any contract with the company for the sale, purchase or supply of goods and materials, services or for underwriting the subscription of any shares in or debentures of the company except with the consent of the Board of Directors by a resolution passed at a meeting of the Board before the contract is entered into or within 3 months of the date on which is was entered into. Nothing contained in this Article shall affect the purchase of goods and materials

from the company or sale of goods and materials to the company by a Director, relative, firm, partner or private company, as the case may be for cash at the prevailing market price of any contracts between the company on one side and say such director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials or services in which either the company or the director, relative, firm, partner, or private company as the case may be regularly trades or does business provided that such contract or contracts do not relate to goods and materials the value of which services, the cost of which exceeds rupees five thousand in the aggregate in any year comprising the period of contract or contracts. If consent is not accorded to any contract anything done in pursuance of the contract shall be voidable at the option of the Board.

"removal of Directors"

- 136 The company may (subject to the provisions of section 284 and other applicable provisions of the Act and these articles) by ordinary resolution remove any director before the expiry of his period of office.
- (1) Special notice shall be given of any resolution to remove a director under the article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
 - (2) On receipt of notice of a resolution to remove a Director under this Article, the company shall forthwith send a copy thereof to the Directors concerned and the Director (whether or not he is a member of the company) shall be entitled to be heard on the resolution at the meeting.
 - (3) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with the respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests this notification to members of the company, the company shall unless the representations are received by it too late for it to do so (a) in the notice of the resolution given to members of the company state the fact of the representations having been made and (b) send copy of the representations to every member of the company, and if a copy of the representations is not sent as aforesaid because they were received too late or because of the company's default, the Director may without prejudice to his right to be heard orally require the representation shall be read out at the meeting if on the application either of the company or any other person who claims to be aggrieved a competent court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.
 - (4) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the company in General Meeting or by the Board in pursuance of section 262 of the Act, be filled by the appointment of another director in his stead by the meeting at which he was removed provided special notice of the intended appointment has been given under sub-clause (2) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.
 - (5) If the vacancy is not filled under sub-clause (4) it may be filled as a casual vacancy in accordance with the provisions of 262 of the Act.
 - (6) A Director who was removed from office under this Article shall not be reappointed as a Director by the Board of Directors.
 - (7) Nothing contained in this Article shall be taken:-
 - (a) as depriving a person removed thereunder of any compensation or damage payable to him in respect of the termination of his appointment as director or any appointment terminating with that as director or

- (b) as derogating from any power to remove a Director which may exist apart from the act of this article.

PROCEEDING OF THE DIRECTORS

- "Meetings of Directors"* 137. Subject to the provisions of section 285 of the Act and these articles the directors may meet together as Board for the despatch of business from time to time and shall also meet atleast once in three months and atleast four such meetings shall be held in every year and they may adjourn and otherwise regulate their meetings and proceedings as they think fit.
- "When meetings to be convened"* 138. A Director may, at any time and the Secretary, at the request of the Director shall convene meeting of the Directors. Notice of every meeting of the Directors of the company shall be given in writing to every Director for the time being in India and at his usual address in India to every other director.
- "Quorum"* 139. Subject to the provisions of Section 287 and other applicable provisions (if any) of the Act the quorum for the meeting of the Board of Directors shall be one third of the total Strength (excluding Directors if any whose places may be vacant at the time) and any fraction contained in that one third being rounded off as one or two Directors whichever is higher; provided that where at any time the number of interested Director exceeds or is equal to two thirds of the total strength, the number of the remaining Directors that is to say, the number of Directors who are not interested, present at the meeting being not less than, two shall be the quorum during such time.
- A meeting of the directors 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 that Act or the Articles of the company, for the time being vested in or exercisable by the Board of Directors, generally.
- "Questions at board meeting how decided"* 140. Questions arising at any meeting of the directors shall be decided by a majority of votes and in the case of any equality of votes the Chairman of the meeting shall have a second or casting vote.
- "Chairman"* 141. The Chairman shall be nominated by the Indian Bank from and out of the Directors proposed and appointed by it and representing it as Director/s of the company and the said Chairman Director shall not be liable to retire by rotation. If at any time the Chairman is not present at the appointed time for holding the meeting the Directors present shall choose one of their member to be the Chairman of such meeting.
- "Powers of Quorum"* 142. A Meeting of the directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or these presents are for the time being vested in or exercisable by the directors generally.
- "Directors may appoint committees"* 143. Subject to the provisions of section 292 of the Act, the Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit and they may from time to time revoke or discharge any such committee either wholly or in part and either as to persons or purposes; and committee so formed shall in exercise of powers so delegated conform to any that may from time to time be imposed upon it by the directors. All acts done by any such Committee, in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
- "Meetings of Committees how to be governed"* 144. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the Meetings and proceedings of the Directors so far as the same are applicable thereto, and are not superseded by any regulations made by

the directors under the last preceding Articles.

"Acts of Board or committees valid notwithstanding defect in appointment"

145. Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them disqualified be as valid as if every such person had been duly appointed as was qualified to be a Director.

"Resolution by circular"

- 146 Save in those cases where a resolution is required by the act to be passed at a meeting at Board, a resolution passed by circular without a meeting of Board or a committee or the Board appointed under these Articles shall subject to the provisions of sub-clause (2) hereof, be as valid and effectual as a resolution, duly passed at a meeting of the directors or a committee duly called and held.
- (1)
- (2) A resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation of the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India (not being less in number than the quorum for a meeting of the Board or committee as the case may be), and to all other directors or members or the committee at their usual address in India and has been approved by such of the Directors or members of the Committee as are then in India or by a Majority of such of them as are entitled to vote on the resolution.
- (3) Subject to the provisions of the Act, a statement signed by the person authorized in that behalf by the directors certifying the absence from India of any directors shall for the purpose of this article be conclusive.

"Certain powers to be exercised by the Directors only at meeting"

147. The Board of Directors of the company shall exercise the following powers on behalf of the company, and it shall do so only by means of resolutions passed at meeting of the Board of Directors.
- (a) the power to make calls on shareholders in respect of moneys unpaid on their shares;
- (b) the power to issue debentures;
- (c) the power to borrow moneys including the power to enter into arrangements with bankers for the borrowing of moneys by way of overdraft or cash credit or otherwise but not the actual day to day availing of such arrangements nor borrowing on debentures.
- (d) The power to invest the funds of the Company; and
- (e) The power to make loans;

Provided that the Board of Directors may, by a resolution passed at a meeting, delegate to any committee of Directors, the Managing Director, the Manager or any other principal officer of the company or in the case of the branch office of the company, a principal officer of the branch office, the powers specified in clauses (c) (d) and (e) to the extent specified below;

- (i) Every resolution delegating the power to borrow moneys otherwise than on debentures shall specify the total amount at any one time upto which the moneys may be borrowed by the delegate;
- (ii) Every resolution delegating the power referred to in clause (d) above shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegate;
- (iii) Every resolution delegating the power referred to in clause (e) above shall specify the total amount upto which loans may be made by the delegates the purpose for which the loan may be made and the maximum amount of loans which may be made for each such

purpose in individual cases.

- (iv) Nothing in this Article contained shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the directors of any powers herein specified.

"Specific powers given to directors"

148. Without prejudice to the general powers conferred by the last preceding Article 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, power;

"To pay preliminary expenses"

- (1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company.

"To acquire property"

- (2) To purchase or otherwise acquire for the Company, any property, rights or privileges which the company is authorized to acquire at such price and generally on such terms and conditions, as they think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be necessarily satisfactory.

- (3) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extents as they may think proper all or any part of the buildings, machinery goods, stores, produce and other movable property of the company either separately or jointly; also to insure all or any portion of the goods, produce machinery and other articles imported or exported by the company to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

- (4) To open accounts with any bank or bankers or with any company, firm or individual and to pay moneys into and draw moneys from any such account from time to time as the directors may think fit.

- (5) 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, mortgages or other securities of the company and any such shares may be issued either as fully paid up or with such amounts credited as fully paid up thereon as may be agreed upon; and any such bonds debentures mortgages or other securities may be either specifically charged upon all; or any part of the property of the company and its uncalled capital or not so charged.

"To secure contracts by mortgage"

- (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 properties of the Company and its uncalled capital for the time being or in such other manner as they may think fit.

"To appoint officers etc"

- (7) To appoint and at their discretion, remove or suspend, such committee or committees of experts technicians or advisers, such managers, secretaries, officers, clerks, agents and servants for permanent, temporary or special services, as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments and to require security in such instances and to such amount as they think fit.

"Public charity"

- (8) To contribute to any charitable object of public utility within the limits prescribed by section 293 of the Act.

"Welfare of employees"

- (9) To support and subscribe to any institution, society or club which may be for the benefit of the company or its employees or may be connected with any town or place where the company carries on business to give pensions, gratuities, bonuses or charitable aid to any person or persons who have served the company or to the wives, children or dependents of such person or persons that may appear to the Directors just or proper whether any such

person, his widow children or dependents have not a legal claim upon the company.

- "To accept surrender of shares"* (10) Subject to the provisions of the Act, to accept from any member, on such terms and conditions as shall be agreed, a surrender of his shares or any part thereof.
- "To appoint trustees"* (11) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the company any property belonging to the company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- "To bring and defend action etc."* (12) To institute, conduct, defend, compound or abandon any legal proceeding buy or against the company or its officers or otherwise concerning the affairs of the company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the company.
- "To refer to arbitration"* (13) To refer any claims or demands by or against the company to arbitration.
- "To give receipts"* (14) To make and give receipts, releases and other discharges for moneys payable of the company and for the claims and demands of the company.
- "To authorize acceptance etc"* (15) To determine who shall be entitled to sign on the company's behalf, bills, note, receipts, acceptances, endorsements, cheques, releases, contracts and documents.
- "To appoint attorneys"* (16) From time to time to provide for the management of the affairs of the company in such manner as they think fit and in particular to appoint any person to be the attorneys or agents of the company with such powers (including power to sub-delegate) and upon such terms as may be thought fit.
- "To invest moneys"* (17) To invest and deal with any of the moneys of the company not immediately required for the purposes thereof upon such securities (not being shares in this company) and in such securities (not being shares in this company) and in such manner as they may think fit and from time to time vary or realize such investments, provided however, that the profits, if any, arising in the sale or charge of investments of the company, unless prohibited by any other statute for the time being in force, shall be treated as capital moneys and carried to the Capital Reserve Account.
- "To give security by way of indemnity"* (18) To execute in the name and on behalf of the company, in favor of any Director or other person who may incur or be about to incur 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 upon.
- "To give percentage"* (19) To give to any person employed by the company 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.
- "May make rules and regulations"* (20) From time to time to make vary and repeal rules and regulations for the conduct of the business and affairs of the company, its officers and servants.
- "May make contracts etc"* (21) Subject to the provisions of the act and these presents for or in relation to any of the matters aforesaid or otherwise for the purposes of the company

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

- "To pay commission" (22) To pay and charge to the capital account of the company and commission or interest lawfully payable therefrom under the provision of section 76 and 208 of the Act.
- "Local laws" (23) To comply with the requirements of any local law which in their opinion it shall in the interests of the company be necessary or expedient to comply with.
- "Local Board" (24) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such Local Board or any Managers or agents and to fix their remuneration.
- "Delegation of powers to local board etc" (25) Subject to the provisions of the section 292 of the Act, from time to time, and at any time to delegate to any such local board, or any member or members thereof or any managers so appointed, any of the powers, authorities and discretions for the time being vested in the Board of Directors, and to authorize the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and subject to such conditions as the Board of directors may think fit, and the Board of directors may at the time remove any person so appointed, and may vary any such delegation.
- "Board's power to delegate" 149. Subject to the provisions of section 292 and other applicable provisions, if any, of the Act, the Board may at any time and from time to time authorize, empower or delegate (with or without powers of sub delegation) to any corporation, company, firm, persons or body of persons, all or any of the powers, authorities and discretions for the time being vested in the directors by this Articles and subject to such restrictions, limitations, and conditions, if any as the Directors may think fit.

THE SECRETARY

- "Secretary" 150. Subject to provisions of Section 383 A of the act, the Board may at any time and from time to time appoint any individual possessing the prescribed qualifications to be the secretary of the company and determine his powers and duties and fix his remuneration and the period for which he is to hold such office.

REGISTERS, BOOKS AND DOCUMENTS

- "Registers, Books & Documents": 151. The company shall maintain Registers, Books and Documents as required (1) by the Act or these Articles including the following namely:
- (a) Register of investments not kept in the company's name according to section 49 of the Act.
 - (b) Register of mortgages, Debentures and changes according to section 143 of the act.
 - (c) Register of members and an index of members according to section 150 of the Act.
 - (d) Register and Index of Debenture Holders under section 152 of the Act and shall keep it open for inspection of any member or debenture holder without fee and for any other person on payment of a fee of Re 1/- for each inspection.
 - (e) Register of contracts, companies, and firms in which Directors are

interested according to Section 301 of the Act.

- (f) Register of Directors and Managing Directors, according to section 303 of the Act.
 - (g) Register of directors share holding and Debentures holding according to section 307 of the Act.
 - (h) Register of investments in shares or debentures of bodies corporate according to section 372 of the Act.
 - (i) Register of renewed and Duplicate certificates according to Rule 7(2) of the companies (issued of share certificate) Rules 1960.
 - (j) Books of account in accordance with the provisions of section 209 of the Act.
 - (k) Copies of agreements creating any charge requiring registration according to Section 136 of the Act.
 - (l) Copies of Annual Returns prepared under section 159 of the act together with the copies of certificates required under section 161 of the act.
- (2) The said Registers, Books and documents, shall be maintained in conformity with the applicable provisions of the act and shall be kept open for inspection by such persons as may be entitled thereto respectively, under the act, on such days are during such business hours as may, in that behalf, be determined in accordance with the provisions of the Act or these articles and extracts shall be supplied to the persons entitled there to in accordance with the provision of the Act.
- (3) The company may keep a Foreign Registrar of members ion accordance with section 157 and 158 of the Act, subject to the provisions of section 157 and 158 of the Act, the directors may from time to time make such provisions as they think fit in respect of the keeping of such Branch Registers of the members and/or debentures holders.

MANAGING DIRECTORS/WHOLETIME DIRECTORS

*"Powers to appoint
Managing Director/Whole
time Director(s)"*

152. Subject to provisions of the act, the directors from time to time appoint one or more of their body to be Managing Director of Managing Directors (in which expression shall be included a Joint Managing Director) or whole time Director or Whole time Director of the company on such conditions and for such term not exceeding five years at a time as they may think fit and may from time to time (subject to the provisions of any contract between him or them and the company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

*"What provisions they
shall be subject to "*

153. Subject to provisions of the Act and of these presents, a Managing Director or a Whole time Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 117 but he shall, subject to the provisions of any contract between him and the company, be subject to the same provisions as to resignation and removed as the other directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole time Director if he ceases to hold the office of the Director for any cause, provided that if at any time the number of directors (including the Managing Director or Whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being then such Managing Director or Managing Directors or whole-time Director or Whole time Directors, as the Directors may from time to time select, shall be liable to retirement by rotation shall not exceed one third of the total number of Directors for the time being, then such Managing Director or Managing Directors or Whole time Director or Whole Time Directors as the Directors may from time to time select, shall be liable to retirement by rotation to the intent that the Directors so liable to retirement shall not exceed one third of the total number of Directors for the time being.

Subject to provisions of the Act, and in particular to the prohibitions and restrictions contained in section 292 there of the Board may from time to time entrust to and confer upon the Managing Director for the time being such of the powers exercisable under these present by the directors as they may think fit and may confer such powers for the time and to be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as they think fit. And they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the directors in that behalf and may from time to time revoke withdraw, alter or vary all or any of such powers.

"Wholetime director continues in office after reelection"

154. A Managing or Whole time Director who is reelected as a Director immediately on retirement by rotation shall continue to hold his office of whole time director and such reelection as Director shall not be deemed to constitute a break in his appointment as a whole time Director.

"Remuneration of Managing or whole time director(s)"

155. Subject to the provisions of the Act and to the approval of the company in General Meeting the remuneration of the Managing Director or whole-time Director shall from time to time be fixed by the Directors, and may be by way of fixed salary, or commission on profits of the company, or by participation in any such profits or by any or all of those modes.

"Powers and duties of Managing Director"

156. Subject to the superintendence, control and direction of the Board of Directors the day to day management of the company shall be in the hands of the Managing director/ and or whole time Director/s. The directors may from time to time entrust to and confer upon a Managing Director or the whole time director for the time being save as hereafter in this article provided such of the powers exercisable under their rights by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions; and with such restrictions as they think expedient, and they may subject to the provisions of the Act and these articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers provided however that the directors shall not entrust to and confer upon Managing Director or whole time Director and a Managing Director or whole-time Director shall not have or be entitled to exercise the power:

- (i) To make calls on shareholders in respect of the money unpaid on their shares;
- (ii) To issue debentures
- (iii) To borrow monies otherwise than on debentures to invest the funds of the company and to make loans except in accordance with and subject to the terms of and the resolution of the Board delegating such powers, under Section 292 of the Act.

"Debenture Director"

157. Any trust deed securing and covering the issue of debentures of the company may provide to the appointment of a Director (in these presents referred to as "the Debenture director") for and on behalf of the Debenture holders for such period as is therein provided not exceeding the period for which the debentures or any of them shall remain outstanding and for the removal from office of such debenture director and on a vacancy being caused whether by resignation, death, removal or otherwise, for appointment of a debenture director in the vacant place. The debenture director shall not be liable to retire by rotation or be removed from office except as provided as aforesaid.

THE SEAL

"The Seal its custody and use"

- 158 (1) The Directors shall provide a common seal for the purposes of the company and may from time to time destroy the same and substitute a new seal in lieu thereof and shall provide for the safe custody of the seal for the time

being under such regulations the Directors may prescribe.

- (2) The company may exercise the powers conferred by section 50 of the Act and such powers shall accordingly be vested in the Directors.

"Deeds how executed"

159. Every deed or other instrument, to which the seal of the company is required to be affixed, shall unless the same is executed by a constituted attorney of the company be signed by a director and Secretary or some other person appointed by the Board for the purpose, provided that in respect of the share certificate the seal shall be affixed in accordance with the prescribed rules.

DIVIDENDS

"Dividends"

160. The profits of the company subject to any special rights relating thereto created or authorized to be created by the Memorandum and these articles and subject to the provisions of these articles shall be divisible among the members in proportion to the capital paid up on the shares held by them respectively.

"The company in general meeting may declare dividend"

161. The company in General Meeting may declare dividend to be paid to the member accordingly to their rights and Interest in the profits and may fix the time for payment.

"Powers of Shareholders to limit dividend"

162. No larger dividend shall be declared than is recommended by the Directors, but the company in General Meeting may declare a smaller dividend subject to the sections 205 A and 205 (2A) of the Act and the rules made there under. No dividend shall be payable except out of the profits of the company for the year of any other undistributed profits, and no dividend shall carry interest as against the Company.

"Capital paid up in advance at interest not to earn dividend"

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

"Declaration of dividends restriction on amount of dividend"

164. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may fix the time for payment. No larger dividend shall be declared than is recommended by the Directors, but the company in General Meeting may declare a smaller dividend.

"Dividend out of profits only and shall not carry interest"

165. No dividend shall be paid otherwise than out of the profits of the year or any other undistributed profits of the company and no dividend shall carry interest as against the company.

"Members declaration as to the net profits conclusive"

166. The declaration of the directors as to the amount of the net profits of the company shall be conclusive.

"Interim dividends"

167. The directors may from time to time pay to the members such interim dividends as in their judgments the position of the company justifies.

"Dividends and call together set off allowed"

168. Any general Meeting declaring dividend may make a call on the members of such amount on the meeting fixed so that the call on such member shall ~~not exceed the dividend payable to him and so that the call be made~~ payable at the same time as the dividend and the dividend may, if so arranged between the company and the members be set off against the calls

"Transferred shares must be registered"

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

"No Member to receive"

170. The Director may, if they, think fit deduct from the dividend payable to any

dividends whilst indebted to the company and the company's right to reimbursement thereon".

member, all such sums money as may be actually due from him on account of calls either solely or jointly to the company, without prejudice to the right of the company to due for the balance of such moneys or to forfeit or sell any shares as herein before provided.

Receipts of one sufficient"

171. Any one of several persons who are registered as the joint holders of any share may give effectual receipt for all dividends and payments on account of dividend or other moneys payable in respect of such share.

"Dividend how remitted"

172. Unless otherwise directed any dividend may be paid by cheque or warrants sent through post to the registered address of the member or person entitled or in the case of joint holders to the registered address of that one of them first named in the register in respect of the joint holding and every cheque or warrant so sent shall be made payable to the order of the persons whom it is sent. Unclaimed dividends shall be dealt with in the manner prescribed by Section 205 A and 205 B of the Act.

"Dividends to be paid within forty two days"

173. The company shall pay the dividend or warrant in respect thereof to the shareholder entitled to the payment of the dividend, within forty-two days from the date of declaration of the dividend unless:-

- a) Where the dividend could not be paid by reason of the operation of any law.
- b) Where share holder has given directions regarding the payment of dividend and those directions cannot be complied with.
- c) Where there is a dispute regarding the right to receive the dividend.
- d) Where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholders.

Or

- e) where, for any of the reason the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the company.

"Unclaimed dividend"

174.a If the company has declared a dividend but which has not been paid within 42 days from the date of declaration to any shareholder entitled to the payment of the dividend, the company shall within 7 days from the date of expiry of the said period of 42 days, open a special account in that behalf in any scheduled Bank called the "unpaid dividend accounts of M/s.....and deposit the amount of such unclaimed dividend in the said account.

- b. Any money transferred to the unpaid dividend account of the company which remains unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred by the company to the general revenue account of the Central Government; A claim to any money so transferred to the general revenue account may be preferred to the central Government by the share holder to whom the money is due. No unclaimed dividend shall be forfeited till the claim thereto become barred by law.

CAPITALISATION OF PROFITS & RESERVES

"Capitalization"

175 Any General Meeting may upon the recommendation of the Board resolve
(1) ~~that any amounts standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization and, when permitted by law from the appreciation in value of any capital assets of the company) standing to the credit of the General Reserve or any Reserve Fund of the company or in the hands of the company and available for dividend be capitalized;~~

- (a) by the issue and distribution as fully paid up shares of the company
- OR
- (b) by crediting shares of the company which may have been issued and are not fully paid up; with the whole or any part of the sum remaining unpaid thereon.

Provided that any amounts standing to the credit of the share premium account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the company to be issued to members (as herein provided) as fully paid bonus shares.

- (2). Such issues and distribution under (1) (a) above and such payment to credit of unpaid shares capital under (1) (b) above, shall be made to among, and in favour of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of a capital paid up on the shares held by them respectively in respect of which distribution under (1) (a) or payment under (1) (b) above shall be made on the footing that such members become entitled thereto as capital.
- (3) The Directors shall give effect to any such resolution and apply such portion of the profits, General Reserve or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares of the company so distributed under (1) (a) above or (as the case may be) for purpose of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (1) (b) above, provided that no such distribution or payment shall be made unless recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.
- (4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which arise in regard to the distribution or payments aforesaid and they think expedite; and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payment be made to any members on the footing of the value so fixed and may vest any such cash or shares in trustees upon such trusts for the persons entitled thereto as may seem expedient to the directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, and fractional certificates or otherwise as they may think fit.
- (5) When deemed requisite a proper contract shall be filed in accordance with the act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

"Capitalisation in respect of partly paid up shares"

176. Subject to the provisions of the Act, and these Articles in cases where some of the shares of the company are fully paid and others are partly paid, only such capitalization may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishments or diminution of the liability on the partly paid shares shall be so applied prorata in portion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

ACCOUNTS

"books of account to be kept"

- 177 The company shall keep at its Registered Office proper books of account
- (1) with respect to:
- (a) all sums of money received and expended by the company and the

- matters in respect of which the receipt and expenditure take place;
- (h) all shares and purchases of goods by the company and
 - (c) the assets and liabilities of the company.

Provided that all or any of the books of accounts aforesaid by kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides, 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

- (2) If the company shall have a 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 the company at its registered Office or other place in India, as the Board thinks fit, where the main books of the company are kept.
- (3) All the aforesaid books shall give a fair and true view of the affairs of the company or of its branch office as the case may be with respect to the matters aforesaid, and explain its transactions.
- (4) The books of account and other books and paper shall be open to inspection by an Director during business hours.

"Books of account to be preserved"

178. The books of account of the Company relating to period not less than 8 years immediately preceding the current year (together with the vouchers relevant to any entry in such books of account) shall be preserved in good order.

"Inspection by members of accounts and books of the company"

179. No member (not being a Director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by Directors or by the Company in General Meeting

"Statement of account to be furnished to General Meeting"

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

"Right of members to copies of Balance sheet and Auditor's report"

181. The Company shall comply with the requirements of section 219 of the Act.

ANNUAL RETURNS

"Annual Returns"

182. The company shall make the requisite annual returns in accordance with Section 159 and 161 of the Act and shall file with the Registrar three copies of the Balance Sheet and Profit and Loss Account in accordance with Section 220 of the Act.

"How document to be served on members"

- 183 (1) A document (which expression for this purpose shall be deemed to 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 on or to any member either personally or (if he has no registered address in India) to address, if any within India supplied by him to the company for the giving of notice to him.

- (2) Where a document is sent by post.
 - (a) Service thereof shall be deemed to be effected by properly addressing, prepaying and posting letter containing the notice provided that where a member has intimated to the company in advance that document should be sent to him under a certificate or posting or by registered post with or without acknowledgement due and has deposited with the company a sum sufficient to defray

the expenses of doing so, service of the document shall not be effected unless it is seen in the manner intimated by the members; and

- (b) Such service shall be deemed to have been effected;
- (i) in the case of a notice of a meeting at the expiry of 48 hours after the letter containing the notice is posted; and
 - (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

"Service on members having no registered address"

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

"Service on the joint holders of a share"

185. A document may be served by the company on the joint holder of share by serving it on the joint holder name first in the register in respect of share.

"Service on persons acquiring shares on death or insolvency of a member"

186. 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 or representative of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same have been served if the death or insolvency had not occurred.

"Persons entitled to notice of General Meeting"

187. Subject to the provisions of the Act and these Articles notice of General Meeting shall be given:
- (i) to members of the company in any manner authorized
 - (ii) to the person entitled to a share in consequence of the death or insolvency of a member
 - (iii) to the Auditor or Auditors for the time being of the company.

"Advertisement"

188. Subject to the provisions of the act any documents required to be served or sent by the company on or to the members or any of them and not expressly provided for by these presents shall be deemed to be duly served or sent if advertised once in one daily English and one daily vernacular newspaper circulating in Tamil nadu.

"Members bound by documents given to previous holder"

189. Every person, who by operation of law, 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 be duly served on or sent to the person from whom he derives his title to such shares.

"Notice by Company and signature thereto"

190. Any notice to be given buy the company shall be signed by the Managing Director or Secretary or by such Director or Officer as the Directors may appoint and such signature may be written or printed or lithographed.

"Service of notice by shareholders"

191. All notice to be given on the part of share holders shall be left or sent by registered post to the registered office of the company.

AUDIT

"Accounts to be audited"

192. Every Balance Sheet and Profit and Loss account shall be audited by one or more Auditors to be appointed as hereinafter mentioned.

"Audit Provisions"

193. As long as Indian Bank and HUDCO holds more than 51% of the equity shares of the company, the company, the Auditors(s) of the company can

be appointed every year by the Central Government on the advice of Comptroller and Auditor General of India to hold office from the conclusion of the Annual General Body Meeting till the conclusion of the next Annual General Body Meeting as per the provisions of the Act and also for the supplementary audits under section 619 of the Act.

- "Remuneration of Auditors"* 194. As long as the Auditors(s) are appointed by Central Government the remuneration of the Auditors(s) of the company shall be fixed by the Central Government.
- "Powers and duties of Auditors"* 195. The powers and duties of Auditors of the Company shall be laid down in Section 227 of the Act.
- "Audit of Branch Offices"* 196. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch office of the company except to the extent to which any exemption may be granted by the Central Government in that behalf.
- "Reading and inspection of Auditor's Report"* 197. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by member of the Company.
- "When account to be deemed conclusive"* 198. Every account when audited and approved by a General Meeting shall be conclusive except as regard any error discovered therein with three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected and henceforth shall be conclusive.

AUTHENTICATION OF DOCUMENTS

- "Authentication of documents and proceedings"* 199. 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 Director or Secretary or an authorized office of the company and need not be under its seal.

WINDING UP

- "Distribution of Assets"* 200. If the company shall be wound up, and the assets available for distribution amount the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed to that as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up or which ought to have been paid on shares held by them respectively. But this Article is to be without prejudice to the right of the holders of shares issued upon special terms and conditions.
- "Distribution in specie or kind"* 201. If the company shall be wound up whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution, divide amongst 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.
- "Right of share holders in case of sale"* 202. A special resolution sanctioning a sale to other company duly passed pursuant to Section 494 of the Act, may subject to the provisions of the Act, in like manner as aforesaid determine that any shares or other considerations receivables by the liquidators be distributed amongst the members otherwise than in accordance with their existing rights and any

such determinations shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said section.

INDEMNITY AND RESPONSIBILITY

"Directors' and others' right to indemnity"

- 203 Subject to the provisions of Section 201 of the Act, every Director, Managing Director, Secretary and other officer or employee of the company shall be indemnified by the Company 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, Managing Director, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Officer or servant or in any way in the discharge of his duties.
- (a)
- (b) Subject as aforesaid every Director, Managing Director, Secretary and other officer or employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief given to him by the Court.

"Not responsible for acts of others"

204. Subject to the provisions of Section 201 of the Act no Director, Managing Director, Secretary or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or Officer, or for joining in any receipt or other act or conformity, or for any loss or expenses 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 of the moneys of the company shall be invested or for any loss or damages arising from the bankruptcy, insolvency or tortious act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment or oversight in his part, or for any other loss or damages or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

SECRECY

"Secrecy"

205. Every Director, manager, Auditor, Treasurer, Trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties sign a declaration pledging himself to observe strict secrecy respecting all customers and the state of the accounts which individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by the Court of law and except so far as the necessary in order to comply with any of the provisions on these presents contained.

SL NO.	Names, Father's Name, Address Description and occupation of subscribers	Signature of witness with name, address, description and occupation
1	M GOPALAKRIHSNAN S/o Sri M Radhakrishnan No.11 Dr Rangachari Road, Mylapore, Madras 600 004 SERVICE	Sd/- N Nagaiah S/o Shri S N Nagamani Reddiar No.38 Bagheerathi Ammal Street T Nagar Ch-17

2	V SURESH S/o. Sri K.V.Pillay (Executive Director – South Zone HUDCO) J – 1981, 15 th Main Road Anna Nagar West Madras – 600040 SERVICE	Sd/- N Nagaiah S/o Shri S N Nagamani Reddiar No.38 Bagheerathi Ammal Street T Nagar Ch-17
3	B.B.SHETTY S/o. Sri B Lakkanna Shetty 27, Oliver Road, Mylapore Madras – 600004 SERVICE	
4	K SUBRAMANIAN S/o Late Sri K.R.Krishnaswamy Iyer S-27, 35 th Cross Street, Besant Nagar, Madras – 600090 SERVICE	
5	T.P.KARUNANANDAN S/o Sri T.R.Parthasarthy 19, Aspiran Garden Street, Kilpauk Madras – 600010 SERVICE	
6	KL RAMANATHAN S/o. Late Sri AR. Kulandaivelan Chettiar 151, Habibullah Road, T.Nagar Madras – 600017 SERVICE	
7	P.V.SIVARAMAN S/o Late Sri P.R.Venkataraman A/21, Luz Apartments, 146, Luz Church Road, Madras – 600004 SERVICE	
8	M. RAJAVADIVELU S/o. Sri Marimuthu Pillai 3, Second Street, Bakthavatsalam Nagar, Adyar Madras – 600020 SERVICE	
9	S. SAMBANTHAM S/o. Sri Swaminathan Chettiar, No. 9, II Cross Street, Indira Nagar, Madras – 600020 SERVICE	
	SERVICE	

Place: Madras
Date : 10 01 91

