



THE COMPANIES ACT 1956
MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
GTN INDUSTRIES LIMITED

For GTN INDUSTRIES LTD.


(P. PRABHAKARA RAO)
Company Secretary



सत्यमेव जयते

Form I. R.

CERTIFICATE OF INCORPORATION

No.....1986.....of 1962.....

I hereby certify that.....G.T.N. TEXTILES 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...Ernakulam.....

this.....second.....day of.....August.....

One thousand nine hundred and.....Sixty two.....



(Sd.) (N.D. Bhatia) Registrar of Companies.



Certificate For Commencement of Business.



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

I Hereby Certify that the.....G.T.N. TEXTILES LIMITED.....

.....
.....
*which was incorporated under the Companies Act, 1956, on the.....
second.....day of.....August.....1962.....
.....and which has this day filed a duly verified
declaration in the prescribed form that the conditions of section 149 (1) (a) to
(d)/ 149 (2) (a) to (c) of the said Act, have been complied with, is entitled to
commence business.*

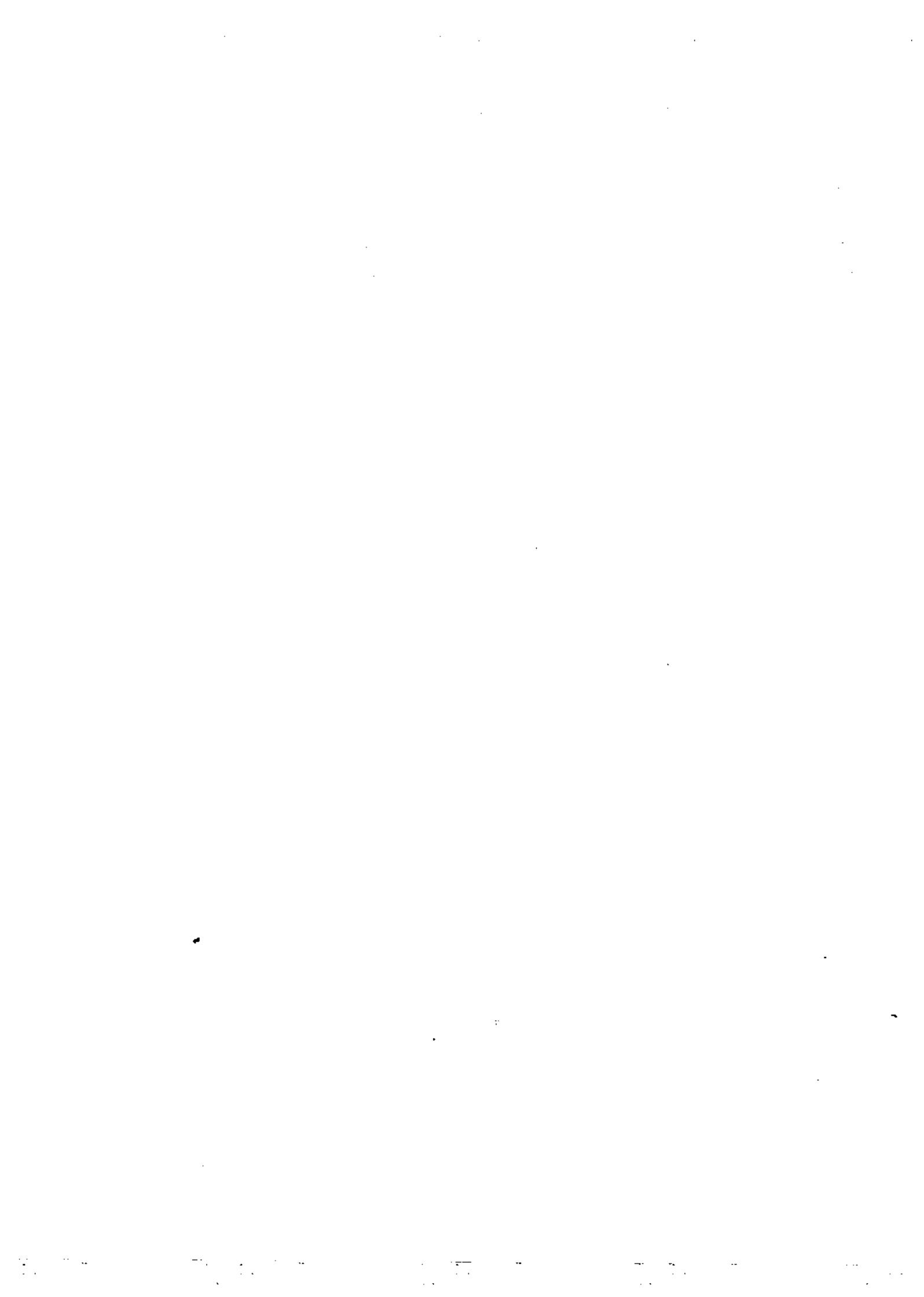
Given under my hand at.....Ernakulam.....

this.....Sixth.....day of.....August.....

One thousand nine hundred and.....Sixty two.....



*(Sd.)
Registrar of Companies.*





CERTIFICATE OF REGISTRATION OF THE ORDER OF
THE HON'BLE HIGH COURT OF KERALA, ERNAKULAM

Section 394 (3) of the Companies Act, 1956

I hereby certify that the certified copy of the order
of the Hon'ble High Court of Kerala, Ernakulam in C.E.No. 35/1994.....
dated 15th February, 1995 approving the Scheme of Amalgamation.....
between GTN TEXTILES LIMITED AND PERFECT SPINNERS LIMITED, HYDERABAD
.....
.....
has been filed in this office and has this day been registered.

Given under my hand at Cochin this the 4th..... day
ofSeptember,....One thousand nine hundred and ninety five...

V.A. Vijayan Menon
(V.A. VIJAYAN MENON)
REGISTRAR OF COMPANIES,
KERALA.





L1810IKL1962PLC001986

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

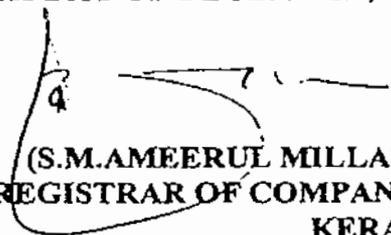
In the Office of the Registrar of Companies, Kerala

Under the Companies Act, 1956 (1 of 1956)

IN THE MATTER OF G.T.N. TEXTILES LIMITED

I hereby certify that M/s **G.T.N. TEXTILES LIMITED**, which was originally incorporated on **02-08-1962** under the Companies Act, 1956 and under the name **G.T.N. TEXTILES LIMITED**, having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956, the name of the said company is this day changed to **GTN INDUSTRIES LIMITED** and this certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Cochin, this the **27TH DAY OF DECEMBER, 2005**
(Two Thousand Five).


(S.M.AMEERUL MILLATH)
REGISTRAR OF COMPANIES
KERALA





भारत सरकार-कम्पनी कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, आंध्र प्रदेश

कम्पनी अधिनियम, 1956 की धारा 18(3)

राज्य परिवर्तित करने के संबंध में, कम्पनी विधि बोर्ड के आदेश के पंजीकरण से संबंधित प्रमाण-पत्र

कार्पोरेट पहचान संख्या : L18101AP1962PLC054323

मैसर्स GTN INDUSTRIES LIMITED

ने अपने विशेष विनिश्चय द्वारा, इसके पंजीकृत कार्यालय को केरल राज्य से आंध्र प्रदेश राज्य में स्थानान्तरित करने के निमित्त अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है और इस परिवर्तन की पुष्टि

CLB, SR, CHENNAI, CHENNAI

के दिनांक 21/03/2007 के आदेश द्वारा किए जाने पर,

मैं, यह सत्यापित करता हूँ कि उक्त आदेश की सत्यापित प्रतिलिपि को आज पंजीकृत कर लिया गया है।

मेरे हस्ताक्षर द्वारा हैदराबाद में, यह प्रमाण-पत्र, आज दिनांक छह जून दो हजार सात को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF COMPANY AFFAIRS
Registrar of Companies, Andhra Pradesh

SECTION 18(3) OF THE COMPANIES ACT, 1956

Certificate of Registration of Company Law Board order for Change of State

Corporate Identity Number : L18101AP1962PLC054323

M/s GTN INDUSTRIES LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Kerala to the Andhra Pradesh and such alteration having been confirmed by an order of CLB, SR, CHENNAI, CHENNAI bearing the date 21/03/2007.

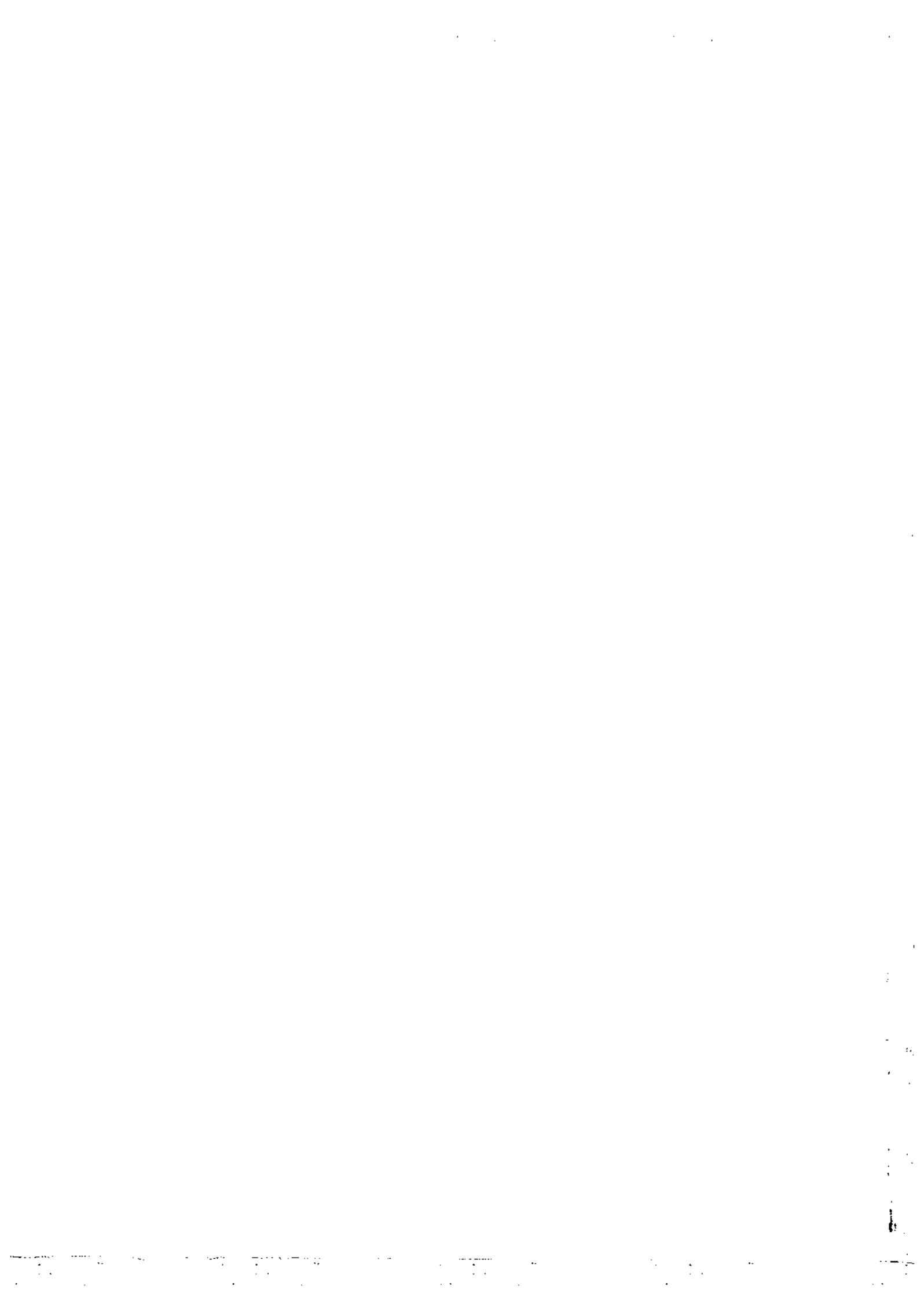
I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Hyderabad this Sixth day of June Two Thousand Seven.



Nanda Kumar P C
(NANDA KUMAR P C)
कम्पनी रजिस्ट्रार / Registrar of Companies
आंध्र प्रदेश
Andhra Pradesh

कम्पनी रजिस्ट्रार के कार्यालय में उपलब्ध पत्राधार का पता :
Mailing Address as per record available in Registrar of Companies office:
GTN INDUSTRIES LIMITED
Chitkul Village, Pattancheru Mandal.,
Medak - 502307,
Andhra Pradesh, INDIA





(SECTION 18(3) OF THE COMPANIES ACT, 1956)

Co. No. L18101KL1962PLC001986

**CERTIFICATE OF REGISTRATION OF THE ORDER OF
COMPANY LAW BOARD CONFIRMING TRANSFER OF THE
REGISTERED OFFICE FROM ONE STATE TO ANOTHER**

The **GTN INDUSTRIES LIMITED** having by Special Resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered office by changing it from the State of **KERALA** to the state of **ANDHRA PRADESH** and such alteration have been confirmed by an order of Company Law Board, **SOUTHERN REGION BENCH** on Company Petition No. **164/17/SRB/2007** bearing date **21-03-2007**.

I hereby certify that a certified copy of the order of the Company Law Board, **SOUTHERN REGION BENCH** has this day been registered.

Given under my hand at Cochin this the **16TH DAY OF MAY,**
2007.




(S.M. AMEERUL MILLATH)
REGISTRAR OF COMPANIES
KERALA



For GTN INDUSTRIES LTD.


(P. PRASHANKARA RAO)
Company Secretary

INCORPORATED UNDER THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES

**MEMORANDUM OF ASSOCIATION
OF
GTN INDUSTRIES LIMITED**

- I. The Name of the Company is "GTN INDUSTRIES LIMITED".
- II. The Registered Office of the Company will be situated in the State of **Andhra Pradesh**
- III. The objects for which the Company is established are:

1. To carry on the business in all their branches of Spinners, Weavers, Bleachers, Dyers, Printers and Finishers of Cotton, Silk, Wool, Rayon, Natural and Synthetic fibers and fibrous substances of all kinds.
2. To purchase or otherwise acquire or take on lease any land or building in India or elsewhere in any part of the world and to work and to construct on such land, buildings, houses and sheds necessary and adopted to the working of Spinning and Weaving Mills, Jute Mills, and Cotton press and Ginning Factories, to provide machinery, engines and apparatus requisite for the Construction of such Mills and factories and for the due and efficient working thereof, to buy raw cotton, wool, jute, silk and other fibrous substances and to spin, weave, and work and to clean pack the same and sell the materials so manufactured and to do and perform all such acts and things as may be necessary and conducive to the attainment of the above objects or any of them.
3. To carry on in India or elsewhere in any part of the world the business of ginning, spinning, weaving or manufacturing or dealing in cotton or other fibrous substances the preparation, dyeing or colouring of any of the said substances, the sale of the yarn, cloth or other manufactured fibrous products, the pressing of and otherwise dealing with cotton and seed and the extraction of oil and other such products therefrom, the refining and treating of such products and subjecting them to further process of manufacture.
4. To carry on or be interested in all or any of the following business in India or elsewhere in any part of the world namely, cotton spinners and doublers flax, hemp and jute silk and wool merchants, wool combers, woollen spinners, yarn merchants, worsted stuff manufacturers bleachers, and dyers, and makers of vitriol, bleaching and dyeing materials and to purchase, comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk and other fibrous substances and weave or otherwise manufacture, buy, sell and deal in linen, cloth, and other goods, and fabrics, whether textile, felted, netted or looped, power suppliers, the business of pressing and ginning mills.
5. To purchase, take on lease or otherwise acquire in any place in India or elsewhere, estates, plantations or other lands of freehold, leasehold or any other tenure and in particular lands or estates likely to produce or producing or capable of producing cotton, flax, hemp, jute, silk wool, coconut, or other fibers and also grants, licenses, concessions, privileges rights and authorities of any kind and in particular any partial, joint or other interest therein and either absolutely, optionally or conditionally and to work, develop, cultivate, turn to account or otherwise deal with such lands, estates, plantations, grants, licenses, concessions, privileges, rights, authorities and interests.
6. To carry on in any place in India or elsewhere the business or trade of planters and cultivators of and dealers in cotton, flax, hemp, jute, silk, wool and other fibers.
7. To purchase / take on hire, lease, exchange, or otherwise acquire maintain, manage, superintend, improve, control and work any movable or immovable property or rights and to erect, establish, acquire in any manner, improve and work any buildings, offices, factories, workshops, mills, presses, houses, sheds, roads, water ways, jetties, docks, machinery and other works of any kind which may appear to be suitable for the objects and purposes of the Company.
8. To buy, sell, manufacture, repair, alter, improve, exchange, hire, import and export and deal in all works, plant, machinery, tools, utensils, appliances, apparatus, products,

materials, substances, articles and things capable of being used in any business of the Company or required by any customers of or persons engaged in any such business or which may seem capable of being profitably dealt with in connection with any of the said businesses and to manufacture, experiment with, render marketable and deal in all products and residual and bye-products incidental to or obtained in any of the businesses carried on by the Company.

9. To carry on business as Manufactures' Representatives, Sales Agents, Stockists or Distributors of all kinds of goods, merchandise and manufactured goods dealt with by the Company.

10. To apply for, purchase or otherwise acquire any patents, brevets d'invention, license, concessions and the like, conferring any exclusive or limited rights to use any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisitions of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant license in respect of or otherwise turn to account the property rights or information so acquired.

11. To acquire, build, make, construct, equip, maintain, improve alter and work factories, buildings, roads water courses and other works and conveniences which may be necessary or convenient for the purpose of the Company or may seem calculated directly or indirectly to advance the Company's interests, and to contribute, to subsidise or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof.

12. To carry on any scientific research or other research which may be of benefit to the Company to establish, conduct and carry on any educational or other institution and research or such other activities for the attainment of the above objects.

13. To employ experts to investigate and examine into the condition, prospects, value, character, and circumstances of any business concerns, and undertakings and generally of any assets, property or rights.

14. To develop and turn to account any land acquired by or in which the Company is interests and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fitting up and improving building and by painting, paving, draining, farming, cultivating, letting on lease or entering into building agreement.

15. To lend money either with or without security and generally to such persons, firms, Associations or Companies and upon such terms and conditions as the Company may think fit.

16. To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.

17. To acquire in India or elsewhere by purchase, lease or otherwise for the purposes of the Company any real or personal, movable or immovable property, rights or privileges, including land, buildings, rights of way, easements, licenses, concessions and privileges, patents, patent rights, trade marks, machinery, rolling stock, plant utensils, accessories and stock-in-trade.

18. Generally to carry on in any place or places in the world any other trade or business/ whether manufacturing or otherwise subsidiary or auxiliary to or which can be conveniently carried on in connection with any of the Company's objects; and to establish and maintain any agencies in any part of the world for the conduct of the Company, or for the sale of any materials or things for the time being at the disposal of the Company for sale; and to advertise and adopt means of making known all or any of the manufactured products or goods of the Company or any articles, or goods traded or dealt in by the issue of circulars/ books/ pamphlets and price lists, and the conducting of competitions, and the giving of prizes, rewards and donations but not by way of lottery.

19. To be interested in, promote/ and undertake the formation and establishment of such institutions/ business, companies, (industrial, agricultural/ trading, manufacturing or other) as may be considered to be conducive to the profit and interest of the Company; and to carry on any other business (industrial, agricultural, trading, manufacturing or other) which may seem to the Company capable of being conveniently carried on in connection with any of these objects or otherwise calculated, directly or indirectly, to render, any of the Company's property or rights for the time being profitable; and also to acquire, promote, aid, foster, subsidise or acquire interests in any industry or undertaking in any country, or countries whatsoever.

20. To purchase or otherwise acquire and undertake the whole or any part of the business property rights and liabilities of any person, firm or company, carrying on any business which the company is authorised to carry on, or possessed of property or rights suitable for any of the purposes of the Company, and to purchase, acquire, sell and deal in property, shares, stock, debentures or debenture stock of any such person, firm or company and to conduct, make or carry in effect any arrangements in regard to the winding up of the business of any person, firm or company. Association or Society.

21. To enter into partnership or into agreement for sharing profits, union of interest reciprocal concession, amalgamation or co-operation, with any person or persons, corporation or company carrying on or about to carry on or engage in any business or transaction capable of being conducted so as directly or indirectly to benefit this Company and to take or otherwise acquire and hold shares or stock in or securities of, and to subsidise or advance loan to or guarantee or secure any loan availed from any person by such company or otherwise assist any such company, and to sell hold, reissue, with or without guarantee or promote any other company or Companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly benefit the Company.

22. To amalgamate with any other company or companies having objects altogether or in part similar to those of this Company.

23. To promote and form and to be interested in, and take, hold and dispose off shares in other companies having all or any of the objects mentioned in the memorandum and to transfer to any such company, any property of this Company, and to take or otherwise assist any such company.

24. To undertake to carry on the management of the whole of the affairs of any company firm or individual or any part of the affairs or business of any company, firm or individual and in any part of the world and to promote, form or take part in the formation of any company and procure registration of such company either in India or elsewhere, with similar objects or connected with the business of this Company.

25. To undertake and execute any trust which may be considered beneficial to the Company either directly or indirectly.
26. To assist any company, financially or otherwise, by issuing or subscribing for or guaranteeing the subscription and issue of capital, shares, stock, debentures, debenture stock or other securities.
27. To take, purchase, sell, hold and deal in shares, stock and securities of any company notwithstanding that there may be liability thereon.
28. To take or otherwise acquire and hold shares in any other Company, and to pay for any properties, rights or privileges acquired by this Company either in shares of the Company, or partly in Shares and partly in cash, or otherwise, and to give shares or stock of this Company in exchange for shares or stock of any other company.
29. To procure the incorporation, registration, or other recognition of the Company, in any country, state or place and to establish and regulate agencies for the purpose of the Company's business and to apply or join in applying to any Parliament, Local Government, Municipal or other authority or body, British, Colonial or foreign for any acts of Parliament laws, decrees, concessions, orders, rights or privileges that may seem conducive to the Company's objects or any of them and to oppose by lawful means any proceedings or application which may seem calculated directly or indirectly to prejudice the Company's interests.
30. To draw, accept, and make, and to endorse, discount and negotiate promissory notes, hundies, bills of exchange, bills of lading and all negotiable instruments connected with the business of the Company.
31. To sell, endorse, or negotiate or to transfer Government paper of all kinds. Government promissory notes. Stock certificate or bonds or securities of any kind issued by the Government of India, the Governments of any State in Indian Union or by the Governments of any foreign country or of Great Britain.
32. To incur debts for the conduct of any business of the Company or to purchase or hire goods, materials or machinery on credit or otherwise for any business or purpose of this Company.
33. To borrow or raise money, by itself or jointly with others at interest or otherwise in such manner as the Company may think fit, and in particular by the issue of debentures perpetual or otherwise including debentures convertible into shares of this or and other company, or perpetual annuities, and in security of any such money so borrowed, raised or received, to mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company, present or future including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient, and to purchase, redeem, or pay off any such securities.
34. To accumulate funds and to lend, invest or otherwise employ moneys belonging or entrusted to the Company upon securities and shares, or without security upon such terms as may be thought proper, and from time to time to vary such transactions in such manner as the Company may think fit but not to do the business of Banking within the meaning of the Banking Companies Act.

35. To sell or in any other manner deal with or dispose off the undertaking or property of the Company, or any thereof/ for such consideration as the Company may think fit, and in particular for shares, debentures, and other securities of any other company having objects altogether or in part similar to those of the Company.
36. To improve/ manage, work, develop/ lease, mortgage, abandon or otherwise deal with all or any part of the property, rights and concessions of the Company.
37. To create any Depreciation Fund, Reserve Fund, Sinking Fund, Insurance 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.
38. To distribute any to the properties of the Company amongst the members in specie or kind, subject to the provisions of the Act.
39. To provide for the welfare of the employees or ex-employees of the Company and the wives, widows and families or the dependants or connections of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money pensions, allowances, bonus or other payments or by creating and from time to time subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit. and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, political or other institutions, association, parties or persons and objects which shall have any moral or other claim to support or aid by the Company either by reason or locality of operation or of public and general utility or otherwise.
40. To subscribe or contribute any amount or amounts to any political party or political purpose to any individual or body subject to the provisions of the Companies Act, 1956.
41. Subject to Section 78 of the Companies Act 1956 to place to reserve or to distribute as dividends or bonus among the members, or otherwise to apply, as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures issued at a premium by the company, any moneys received in respect of dividends accrued on forfeited shares and moneys arising from the sale by the Company of forfeited shares or from unclaimed dividends.
42. To carry on the business of manufacturers of textile machinery and its accessories and other products required for the textile trade.
43. To wash, clean, purify, scour, bleach, wring, dry, iron, print, colour, dye, calendar disinfect, renovate, and prepare for use all articles of weaving apparel, household, domestic and other linen and cotton and woolen goods and clothing and fabrics of all kinds.
44. To send any personnel or officer of the Company at the Company's expenses abroad for special training in arts, science, technology, etc., on such terms and conditions, as the Company deems fit, and relating to the business of the Company.
45. To adopt such measures for making known the products of business carried on by the Company as may deem expedient, and in particular by advertising in the Press, by circulars and slides or purchase or exhibition of work of art and interest and publication of books and periodicals and by granting prizes, awards and donations.

46. To open any kind of account in any bank and to make, accept, endorse and execute promissory notes. Bills of exchange and other negotiable instruments.
47. To acquire by purchase or otherwise and to carry on the business of estate owners cultivators, planters, growers and manufacturers, of sellers and dealers in tea, coffee, cardamom, pepper, spices, rubber, gutta percha and gums of every descriptions, corn, cocoa, rice, oil copra, coconuts, sugar, plantations, cinchona, grains, paddy, cereals, cotton, silk, vegetable, agricultural and horticultural products and to manufacture, dispose off, buy and deal in the said products.
48. To buy, sell, improve, manage, lease, turn to account, dispose off and deal in plantations, land or landed estates, stock, stations wool, cattle, shares, securities, merchandise and other property and as regards land to develop the resources thereof by clearing, draining, road making, farming, grazing, planting, building, improving, mining, settling and constructing works and conveniences of all kinds, whether public or private.
49. To carry on the business as manufacturers of Chemicals in all its branches, gas makers, metallurgists, and mechanical engineers.
50. To carry on all or any of the business of manufacturers of and dealers and workers in all varieties and grades of cement lime, plasters, whiting, clay, gravel, sand, minerals, earth, coke, fuel, artificial stone and builders, requisites and conveniences of all kinds and to produce, manufacture, purchase, refine, prepare, process, import, export, sell and generally to deal in cement, Portland cement, alumina cement, white and coloured cement, lime and lime stone, hanker, gypsum and or by-products thereof and building materials.
51. To acquire and take over as a going concern any company or business and to amalgamate with any other company or companies.
52. To promote any company or companies for the purpose of acquiring all or any of the property rights and liabilities of this Company which purpose may seem directly or indirectly calculated to benefit this Company.
53. To undertake carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare of or the uplift of the people in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing, "Programme of rural development" shall also include any programme for promoting the social and economic welfare of, or the uplift of the people in any rural area likely to promote and assist rural development and that the words "rural areas" shall include such areas as may be regarded as rural areas under the Income-Tax Act, 1961, or any other law relating to Rural Development for the time being in force and to implement any of the above mentioned objects or purposes transfer without consideration or at a fair or concessional value and divest the ownership of any property of the Company to or in favour of any public or local body or authority or Central or State Government or any Public Institution or Trust recognised or approved by the Central or State Government or any authority Authorised in that behalf or established under any law for the time being in force.
54. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of the national economy and for discharging social and moral responsibilities of

the company to the public or any section of the public as also any activity likely to promote national welfare or social, economic or moral uplift of the people or any section of the people and the Directors may without prejudice to the generality of the foregoing, undertake, carryout, promote and sponsor any activity for publication of any books, literature, newspapers, etc., or for organising lectures or seminars likely to advance these objects or for giving merit awards scholarships, loans, or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting, or assisting any institution, trust, etc., having any one of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner and in order to implement any of the above mentioned objects or purposes transfer without consideration or at a fair or concessional value and divest the ownership of any property of the Company to or in favour of any public or local body or Authority or Central or State Government or any public institution or Trust recognised or approved by the Central or State Government or any authority Authorised in that behalf or established under any law for the time being in force.

55. To do all or any of the above things and all such other things as are incidental or may be thought conducive to the attainment of the above objects or any of them in any part of the Union of India and of the World and as principals, agents, contractors, trustees or otherwise, and by or through trustees / agents, or otherwise, and either alone or in conjunction with others.

AND IT IS HEREBY DECLARED that the word "COMPANY" in this clause except where used in reference to this Company only shall be deemed to include any authority, Partnership or other body of persons, whether incorporated or not and whether domiciled in India or elsewhere.

IV The liability of the members is limited.

V. The Share Capital of the Company is Rs. 5500 lacs (Rupees five thousand five hundred lacs only) divided into 200 lacs (Two hundred lacs) Equity Shares of Rs. 10 (Rupees ten only) each and 35 lacs (Thirty-five lacs) Redeemable Preference Shares of Rs.100 (Rupees one hundred only) each. The Company has the power to increase or reduce its capital from time to time and to issue any shares in the original or new capital as equity or preference shares and to attach any class or classes of such shares, any preferences, rights, privileges or priorities in payment of dividends or distribution of assets or otherwise over any other class or classes of shares or to subject the same to any restrictions, limitations or conditions and to vary the regulations of the company as far as necessary to give effect to the same and upon the sub-division of any shares to apportion the right to participate in profits in any manner.

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

Sl. No	Name, address, Descriptions and Occupation of each Subscriber	Number of equity shares taken by Subscriber
1.	Sd/- N.Soundarajan S/o. G.T.Narayanaswamy Naidu, House Industrialist, 20 Race Course Road, Dindigul.	101 (One hundred one Only)
2.	Sd/- M. Doraipandian, S/o.M. Mownaguruswami Naidu, Land Lord, 16, Cathedral gardens, Madras - 34.	101 (One hundred one Only)
3.	Sd/- N. Vinothan, S/o. G.T.Narayanaswamy Naidu, Mirasdar, 20, Race Course Road, Dindigul.	101 (One hundred one Only)
4.	Sd/- Saroja Soundarajan, W/o. N. Soundarajan, Land Lady, 20, Race Course Road, Dindigul	101 (One hundred one Only)
5.	Sd/- S.Devaraj, S/o- S/o N. Srinivasalu Naidu, Merchant, 20,Race Course Raod, Dindigul	101 (One hundred one Only)
6.	Sd/- D. Balasundaram S/o.K.E. Damodaraswamy Naidu, Engineer, 313, Avanas Road Coimbatore	101 (One hundred one Only)
7.	Sd/- N. Rudrappan S/o. K- Narayanaswamy Naidu, Merchant, 256, Dewan Bahadur Road, R.S. Puram, Coimbatore	101 (One hundred one Only)
	Total	707 (Seven hundred and Seven Only)

Dated this 12th day of July 1962.

Witness to the above Signatures:

(Sd) N.Thiagarajan,
N.THAGARAJAN B.Com., B.L.,
S/o. V.Nagappa Chettiar
Commercial Assistant
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**ARTICLES OF ASSOCIATION
OF
GTN INDUSTRIES LIMITED
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FOR GTN INDUSTRIES LTD.


(P. PRABHAKARA RAO)
Company Secretary

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
GTN INDUSTRIES LIMITED
PRELIMINARY

1. The regulations contained in Table 'A' in 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 Articles, which shall be the regulations for the Management of the company. Preliminary

INTERPRETATION CLAUSE

Interpretation	2. The marginal notes hereto shall not affect the construction thereof. In these presents, the following words and expressions shall have the following meaning unless excluded by the subject or context.
The Act	(a) "The Act" or "The Companies Act" shall mean "The Companies Act 1956.
The Board or "The Board Directors"	(b) "The Board" or the "Board of Directors" means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
"The Company" or "This Company" "Directors"	(c) "The Company" or "This Company" means "G I N INDUSTRIES LIMITED" (d) "Directors" means the Directors for the time being of the Company or as the case may be the Directors assembled at a Board Meeting.
"In Writing"	(e) "In writing" included printing, lithography, typewriting and any other usual substitutes for writing.
"Members"	(f) "Members" shall mean Members of the Company holding a share or shares of any class.
"Month"	(g) "Month" shall mean a "Calendar month"
"Paid-up"	(h) "Paid-up" shall include "Credited as paid-up"
"Person"	(i) "Person" shall include any Corporation as well as individual.
These presents" or "Regulations"	(j) "These presents" or "Regulations" shall mean these Articles of Association as originally framed or altered from time to time and shall include the Memorandum where context so requires.
"The Seal"	(k) "The Seal" means the Common Seal for the time being of the Company.
"Special Resolution"	(l) "Special Resolution" shall have the meaning assigned there to by section 189 of the Act.
"Gender"	(m) Words importing the masculine gender shall include the feminine gender and vice-versa.
"Singular to include plural"	(n) Except where the context otherwise requires, words importing the singular include the plural and words importing the plural shall include the singular.

COMMENCEMENT OF BUSINESS

"Commencement of Business"	3. The Company shall commence business or exercise any borrowing powers only after the requirements of Section 149 of the Act shall have been complied with.
"Prohibition of Investment of funds in"	4. Except as provided by Section 77 of the Act, no part of Funds of the company shall be employed in the purchase of the shares of the Company and the Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or
"Company's own shares"	Otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.

4A. "Notwithstanding anything contained in the preceding article no-4 (the preceding Article refers to the Articles in terms of section 77 of the Act) but subject to the provisions of section 77A and 77B of the Act and Securities and Exchange Board of India (Buy-back of securities), Regulation, 1998 as may be in force at any time and from time to time, the Company may acquire, purchase, own, resale any of its own fully/partially paid or redeemable shares and any other securities as may be specified under the Act, Rules and Regulations from time to time and may make payment thereof out of funds at its disposal or in any manner as may be permissible or in respect of such acquisition/purchase on such terms and conditions and at such time or times in one or more installments as the board may in its discretion decide and deem fit. Such shares which are so bought back by the company may either be extinguished and destroyed or reissued as may be permitted under the Act or the Regulations as may prevail at the relevant time subject to such terms and conditions as may be decided by the board and subject further to the rules and regulations governing such issue and subject further to a special resolution being passed by the shareholders to this effect".

"Buyback of Shares"

CAPITAL

5. The Share Capital of the Company is Rs.5500 lacs (Rupees five thousand five hundred lacs only) divided into 200 lacs (Two hundred lacs) Equity Shares of Rs. 10 (Rupees ten only) each and 35 lacs (Thirty-five lacs only) Redeemable Preference Shares of Rs. 100 (Rupees one hundred only) each.

Authorised share capital

5A. The Company has the power to increase its capital from time to time and to issue any shares in the original or new capital as equity or preferred shares and to attach to any class or classes of such shares, any preferences, rights, privileges or priorities in payment of dividends or distribution of assets or otherwise over any other class or classes of shares or to subject the same to any restrictions, limitations or conditions and to vary the regulations of the Company as far as necessary to give effect to the same and upon the sub-division of any shares to apportion the right to participate in profits in any manner.

Power to increase capital

6. The Board may at its discretion, convert the unissued Equity shares into Preference shares or Redeemable Preference shares and vice-versa and the Board may issue any parts of the unissued shares upon such terms and conditions and with such rights and privileges annexed thereto as the Board at its discretion and subject to the provision of Section 86 to Section 89 of the Act, thinks fit and in particular may issue such shares with such preferential or qualified right to dividends and in the distribution of the assets of the Company as the Board may subject to the aforesaid sections, determine.

Directors' right to issue preference shares not already issued

The preference Shares of the Company are liable to be redeemed in any manner prescribed under the Act and the Directors may, subject to the provisions of the Act, exercise such powers in any manner as they think fit and proper for redemption of such shares by passing a suitable Board Resolution.

6A. The Preference Share Capital is subject to the following provisions:

Provisions in respect of preference shares

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

(a) No such shares shall be redeemable unless they are fully paid;(b) The premium, if any, payable on redemption shall have been provided: for out of the profits of the Company or out of the Company's Share Premium Account before the shares are redeemed.(c) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which would otherwise have been available for dividend, be transferred to a Reserve Account to be called "The Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of a Company except as provided by Section 80, of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.(d) Subject to the provisions of Section 80 of the Act, the redemption of Preference Shares may be affected in accordance with the terms and conditions of their issue and failing that, in such manner as the Board of Directors may think fit and the Company may issue shares upto nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued:(e) Whenever the Company shall redeem may redeemable Preference Shares, the Company shall, within thirty days thereafter, give notice thereof to the Registrar of Companies as required by Section 95 of the Act.

Directors' right to convert unissued preference shares into redeemable preference shares.

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

Rights of holders of Equity Shares

8. Subject as aforesaid to the rights of the holders of any other shares entitled by the terms of the issue to any preferential repayment over the Equity Shares, in the event of a winding up, the holders of the Equity Shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such shares and all surplus assets thereafter shall belong to the Equity shares and in proportion to the amount paid up or credited as paid up on such Equity shares respectively at the commencement winding up.

Shares under the control of the Directors

9. Subject to the Provisions of the Act and the Articles, the shares in the capital of the company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose off the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time think fit and proper, and subject to the sanction of the company in General Meeting with full power to give to any person the option to call for or be allotted shares of any class of the Company either at par or at a premium or subject as aforesaid at a discount such option being exercisable at such times and for such consideration as the Directors think fit.

10. In addition to and without derogating from the powers for that purpose conferred on the Directors under Article 9 above, the Company in general meeting may determine that any shares (whether forming part of the original capital or of any increased capital or the Company) shall be offered to such persons (whether member or holders of debentures of the Company or not) giving them the option to call for or be allotted shares of any class of the Company either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount, such option being exercisable at such times and for such consideration as may be directed by such general meeting or the Company in General meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

Powers of General Meeting to offer shares to such persons as the company may resolve

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

Further issue of capital

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

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

(1) such new shares shall be offered to the persons who at the date of the offer, are holders of the Equity shares of the Company, in proportion, as nearly as circumstances admit to the capital paid up on those shares at that date;

(2) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer if not accepted will be deemed to have been declined.

(3) The offer aforesaid shall be deemed to include right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of and other person; and the notice referred to in Clause (2) shall contain a statement of this right;

(4) After the expiry of the time specified in the notice aforesaid, or earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose off them in such manner as it thinks most beneficial to the Company.

(c) The Directors may with the sanction of the Company General Meeting offer and allot shares to any person at their discretion provided that such sanction is accorded either by:-

(1) a special resolution passed at any General meeting or

(2) by an ordinary resolution passed at a General Meeting by majority of the votes cast with the approval of the Central Government in accordance with Section 81 of the Act.

(d) Nothing in this clause shall apply:-

(1) to the increase of the subscribed capital of the Company caused by the exercise of an option attached to debentures issued or loans raised by the Company.

(2) to convert such debentures or loans into shares in the Company; or (3) to subscribe for shares in the Company Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option, and such term.

(i) has been approved by a special resolution passed by the Company in General Meeting before issue of the debentures or the raising of the loans; and also

(ii) Either has been approved by the Central Government before the issue of the debentures on the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.

Variation of rights

12. The rights attached to any class of shares (Unless other wise provided by the terms of the issue of the shares of that class) may subject to the provisions of sections 106 and 107 of the Act, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate Meeting of the holders of the shares of that class. To every such separate Meeting, the provisions of those Articles relating to General Meetings shall Mutatis Mutandis apply/ but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of the class.

Issue of further shares on Pari Passu shall not affect the right of shares already issued

13. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of the issue of the shares of that calls, be deemed to be varied by the creation of further shares ranking Pari Passu therewith.

Power to pay commission

14. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company but so that if the commission in respect of shares shall be paid or payable out of the capital the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed two and a half percent of the price at which the shares are issued and in the case of debentures the rate of commission shall not exceed two and a half percent of the price at which the debentures are issued. The Commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other subject to the provisions of sec. 76 of the Act. The Company may also on any issue of shares pay such brokerage as may be lawful.

Liability of Joint holders of shares

15. The joint holders of share or shares shall be severally as well as Jointly liable for a payment of all installments and calls due in respect of such share or shares.

Trust not recognised

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

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

17. (1) The Board of Directors may issue and allot shares in the capital of the Company as payment or part payment for any properly sold or goods transferred or machinery or appliances supplied, or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and any shares which maybe so allotted maybe allotted as fully paid up shares/ and if so allotted, shall be deemed to be fully paid-up shares. (2) As regards all allotments, from time to time made, the Board of Directors shall duly comply with Section 75 of the Act. Issue other than for cash
18. An application signed by or on behalf of the applicant for shares in the Company/ followed by an allotment of any shares therein, shall be acceptance of the shares within the meaning of these articles; and every person who thus or otherwise accepts any shares and whose name is on the Register shall forth purpose of these Articles be a member. Acceptance of shares
19. (1) Every person whose name is entered as a member in the Register of Members shall be entitled to receive one share Certificate for every market lot. Members right to shares
- (2) The company shall within ten weeks of the closure of the subscription list or within one month after the application for registration of the transfer of any shares or debenture complete and have ready for delivery, the certificates of all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.
- (3) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
20. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of share certificate to one of several joint holders shall be sufficient delivery to all such holders. One certificate for joint holders
21. If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsements of transfer, it shall, if required, be replaced by a new Certificate without any fees or charge, provided however that such new certificate shall not be granted except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the having been destroyed or lost. Any renewed certificate shall be market as such. Renewal of Certificate
22. It is hereby agreed that the Company will not make any charge or fees for splitting and consolidation of share certificates. Splitting and consolidation of share certificates
23. Every share certificate shall be issued under the Common Seal of the Company and in accordance with the provisions of the companies (Issue of Issue of Certificates

Share Certificates) Rules 1960 or any modification thereof for the time being in force.

Company's lien on shares 24. The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either alone or jointly with any other person and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors at any time may declare any shares to be exempt/ wholly or partially from the provisions of this article.

As to enforcing lien by sale 25. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they think fit but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which lien exists has been given to the Registered holders of the shares for the time being or to the person entitled to the shares by reason of the death or insolvency of the Registered holder.

Authority to transfer 26. To give effect to such sale, the Board of Directors may authorize any person to transfer the shares sold to the Purchaser thereof and the Purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Application of proceeds of sale 27. The net proceeds of any such sale be applied in or towards satisfaction of the said moneys and the balance (if any) shall be paid to the member of the person (if any) entitled by transmission to the shares at the date of the sale.

CALLS ON SHARES

Calls 28. Subject to the provision of Section 91 of the Act, the Board of Directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof, made payable of fixed times, and each member shall pay the amount of every call so made on him to the persons and at the time and place appointed by the Board of Directors.

Length of notice of call 29. Not less than thirty days notice of any call shall be given specifying the time and place of payment and the person to whom such call shall be paid provided that before the time for payment of such call the Directors, may by notice in writing to the members, extend the time for payment thereof.

Sums payable at fixed installments to be deemed calls 30. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times whether on account of the share or by way of premium, every such amount of installment shall be payable as if it were a call duly made by the Directors and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to every such amount or installment accordingly.

When interest on call payable 31. If a sum called in respect of shares is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate fixed by the Board not exceeding 18% (Eighteen per cent) per annum from the day appointed for the payment thereof of the time of the actual payment but the Board shall be at liberty to waive payment of that interest wholly or in part.

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

Sums payable at fixed times to be treated as calls

33. The Board of Directors, may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advanced may (until the same would, but for such advance become presently payable) pay interest at such rate but not less than 15% without the sanction of the company in General meeting, as may be agreed upon between the member paying the sum in advance and the Board of Directors and the money paid in advance of calls shall not in respect thereof confer a right to dividend or to participate in the profits of the company and voting rights.

Payment of calls in advance

34. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any share either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Partial payment not to preclude forfeiture

TRANSFER AND TRANSMSSION OF SHARES

35. (a) The instrument of transfer of any shares in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof. (b) The Board of Directors shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the scrip and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares. Provided that where it is proved to the satisfaction of the Board of Directors that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board of Directors think fit, on an application in writing, made by the transferee and bearing the stamp required by an instrument of transfer, register the transfer on such terms as to indemnity as the Board of Directors may think fit. (c) An application for the registration of the transfer of any share may be made either by the Transferor or transferee, provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

Transfer

(d) For the purpose of Sub-clause (c) notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time at which it would have been delivered in the ordinary course of post.(e) Nothing in Sub-clause (d) shall prejudice any power of the Board of Directors to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.(f) Nothing in this article shall prejudice the power of the Board of Directors to refuse to register the transfer of any shares to a transferee, whether a member or not provided it does not contravene the provisions of Section II of the Companies Act/1956 and Section 22 A of the Securities Contracts (Regulations) Act, 1956.

Form of transfer

36. The instrument of transfer shall be in writing in the prescribed form and all the provisions of Section 108 of the Companies Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

Board's right to refuse register

37. (a) The Board of Directors may subject to the provisions of section 22 A of Securities Contracts (Regulations) Act, 1956 at their absolute discretion and without assigning any reason, decline to register:

(1) the transfer of any share whether fully paid or not to a person of whom they do not approve or,

(2) Any transfer of shares on which the Company has lien; provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any person or persons indebted to the Company on any account whatsoever except a lien on the shares.(b) If the Board of Directors refuse to register any transfer or transmission of right they shall within one month from the date on which the instrument of transfer or the intimation of such transmission was delivered to the company send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.(c) In case of such refusal by the Board, the decision of the Board shall be subject to the right of the appeal conferred by Section III.(d) The provisions of this clause shall apply to transfers of stock.

Endorsement on transfer and issue of certificate

38. Every endorsement upon the Certificate of any share in favour of any transferee shall be signed by the Managing Agents or by some other person for the time being duly authorised by the Managing Agents in that behalf. In case any transferee of a share shall apply for a new certificate in lieu of the old or existing certificate he shall be entitled to receive a new certificate and no fee will be charged for endorsement on transfer and issue of certificate.

Register of members

39. The Company shall keep a book to be called the "Register of Members", and therein shall be entered the particulars of every transfer or transmission of any shares and all other particulars of shares required by the Act to be entered in such register.

- 40 (1) On the death of a member/ the survivor or survivors where the member was a joint holder, and his legal representatives where he was a sole holder shall be the only person recognised by the Company as having any title to his interest in the shares.(2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any shares, which had been jointly held by him with other persons. Right to share on death of a member
- 41 (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be properly required by the Board and subject as hereinafter provided elect/ either: Rights and liabilities
- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.(2) The Board, shall, in either case, have the same rights to decline or suspend registration, as it would have had, if the deceased or insolvent member has transferred the share before his death or insolvency.
42. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself he shall deliver or send to the Company a notice in writing by him stating that he so elects.(2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.(3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member. Notice by such person of his election
- 42A (1) Every Shareholder or debenture holder of the Company may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be prescribed under the Act.(2) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be prescribed under the Act.(3) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of the shareholder or debenture holder or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be prescribed under the Act. Nomination

(4) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority.

Transmission of securities

42B.(1) A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either

a) To register himself as holder of the share or debenture as/ the case may be or

b) To make such transfer of the share or debenture, as the deceased shareholder or debenture holder, as the case may be, could have made.

(2) If the nominee elects to be registered as holder of the share or debenture, himself, as the case may be, he shall deliver or send to the Company, a Notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be.

(3) A nominee shall be entitled to the share dividend and other advantages to which he would be entitled if he was the registered holder of the share or debenture. Provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to meeting of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share or debenture, until the requirements of the notice have been complied with.

Dematerialisation

42C - (1) Definitions

a) "Beneficial Owner" shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996.

b) "SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

c) "Depositories Act" means the Depositories Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force.

d) "Bye-Laws" means bye-laws made by a Depository under Section 26 of the Depositories Act, 1996.

e) "Depository" shall mean a Depository as defined under clause (e) of Sub-Section (1) of Section 2 of the Depositories Act, 1996.

f) "Member" means the duly registered holder from time to time of the Shares of the Company and includes every person whose name is entered as a beneficial owner in the records of the Depository.

g) "Issuer" means any person making an issue of Securities.

h) "Participant" means a person registered as such under Section 12(1A) of the Securities and Exchange Board of India Act, 1992.

- a) "Registered owner" means a depository whose name is entered as such in the Register of the issuer,
- b) "Record" includes the records maintained in the form or books or stored in computer or in such other form as may be determined by regulation made by SEBI in relation to the Depositories Act.
- c) "Regulations" means the regulations made by the SEBI.
- d) "Security" means such security as may be specified by the SEBI.
- e) "Words and expression used and not defined in the Act but defined in the Depositories Act shall have the same meanings respectively assigned to them in that Act".
- (2) Notwithstanding anything to the contrary or inconsistent contained in the Act or these Articles, the Company shall be entitled to Dematerialize its existing securities, rematerialise its securities, held in the Depositories and / or offer its fresh securities in a dematerialized form pursuant to the Depositories Act and the Rules framed thereunder, if any. Dematerialisation of Securities
- (3) Either the Company or the investor may exercise an option to issue, deal in hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof. Company to recognize interest in dematerialized securities under Depositories Act
- (4) Every person acquiring / subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security and on receipt of the information, the depository shall enter in its records the name of the allottee as the beneficial owner of the security. Option for Investors
- (5) All securities of the Company held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Companies Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners. Securities in Depositories to be in Fungible Form
- (6) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it. Rights of Depositories and Beneficial Owners

c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Beneficial Owner deemed as absolute owner

(7) Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust of equitable, contingent, future or a partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof, but the Board shall be at their sole discretion to register any share in the joint name of any two or more persons or the survivor or survivors of them.

Depository to furnish information

(8) Every Depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

Cancellation of Certificates upon surrender by a person

(9) Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

Option to opt out in respect of any security

(10) If a beneficial owner seek to opt out of a Depository in respect of any security and beneficial owner shall inform the Depository accordingly.

The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company.

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

Service of Documents

(11) Notwithstanding anything in the Act or these Articles to the Contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

Provisions of Articles to apply to Securities held in Depository

(12) Except a specifically provided in these Articles, the provisions relating to Joint holders of Securities, Calls, Lien on Securities forfeiture. Transfer and Transmission of Securities shall be applicable to Securities held in Depository so far as they apply to Securities held in physical form subject to the provisions of the Depository Act.

Allotment of Securities dealt within a Depository

(13) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

- (14) The Securities in the Capital shall be numbered progressively according to their several denominations, provided however, that the provisions relating to progressive numbering shall not apply to the securities of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Exception the manner hereinbefore mentioned. No securities shall be sub-divided. Every forfeited or surrendered securities held in material form shall continue to bear the number by which the same was originally distinguished.
- Distinctive number of Securities held in a Depository
- (15) The Company shall cause to be kept a Register and Index of Members and a Register and Index of Debenture holders in accordance with Section 151 and 152 of the Act respectively, and the Depositories Act, with details of Shares and Debentures held in material and dematerialised forms in media as may be permitted by law including in any form of electronic media. The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be Register and Index of Members and Register and Index of Debenture holders, as the case may be for the purpose of the Act. The Company shall have the power to keep in any State or Country outside India a Branch Register of Members resident in that State of Country.
- Register and index of Beneficial Owners
- (16) The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every Transfer or Transmission of any Securities held in material form.
- Register of Transfers
- (17) Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Article of these presents.
- Overriding effect of this Article

RIGHTS OF DEVOLUTION

43. A Person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and the other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the Company.

Devolution on the death of a share holder

Provided that the kBoard may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied within ninety days, the board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the until the requirements of the notice have been complied with.

44. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable rights, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company, but the

Company's right to register transfer to apparent legal owner

Company shall nevertheless be at liberty to have regard and attend to any such notice and give effect thereto, if the Board of Directors shall think of it.

FORFEITURE OF SHARES

- If call or installment not paid notice may be given
45. If a member fails to pay any call or installment of call on the day appointed for the payment thereof, the Board of Directors may at any time thereafter during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installments as is unpaid together with any interest/which may have accrued.
- Form of Notice
46. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice,) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.
- If notice not complied with shares may be forfeited
47. If the requirements of any such notice as aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeiture shall include all dividends declared in respect of the forfeited shares, and not actually paid before the forfeiture.
- Board's right to disposal of forfeited shares or cancellation of forfeiture
48. A forfeited or surrendered share maybe sold or otherwise disposed off on such terms and in such manner as the Board of Directors may think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board of Directors may think fit.
- Liability after forfeiture
49. A person whose shares have been forfeited shall cease to be member in respect of the forfeited shares but shall notwithstanding such forfeiture remain liable to pay and shall forthwith pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the share, together with interest at 18% (eighteen percent per annum) whether such claim be barred by limitation on the date of the forfeiture or not but his liability shall cease if and when the Company received payment in full of the nominal value of the shares. The Board may if they shall think fit remit the payment of such interest or any part thereof.
- Declaration of forfeiture
50. A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share, and the person to whom the share is sold or disposed off shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be effected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- Non-payment of payable at fixed times
51. The provisions of these regulations as to forfeiture shall apply in the case, of non-payment of any sum which by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share or by way of

premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

SET-OFF OF MONEYS DUE TO SHAREHOLDERS.

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

Set off of moneys due to share holders

CONVERSION OF SHARES INTO STOCK

53. The Company, may, by ordinary resolution:-

(a) convert any paid-up shares into stock and

(b) re-convert any stock into paid-up shares of any denomination.

Conversion of shares into stock and re-conversion

54. The holders of the stock may transfer the stock or any part thereof in the same manner and subject to the same regulations, as and subject to which, the shares from which the stock arose, might, previous to conversion, have been transferred, or as near thereto as circumstances admit, but, the Board of Directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

Transfer of stock

55. The holders of the stock, shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as conferred by Sec. 96 of the Act.

Right of stockholders

56. Such of the regulations contained in these presents other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words 'Share' and "Shareholder" in these presents shall include Stock and Stock Holder respectively.

Applicability of regulations to stock and stockholders

SHARE WARRANTS.

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

Issue of Share Warrants

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

Transfer

(c) The bearer of a share warrant shall on surrender of the warrant to the company for cancellation and on payment of such sums as the Board may from time to time prescribe, be entitled to have his name entered as a member in the register of members in respect of the share included in the warrant.

Surrender

Requisition of meeting by bearer of share warrants

58. (1) The bearer of share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the Depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.
- (2) Not more than one person shall be recognised as Depositor for the shares warrant
- (3) The Company shall/ on two days, written notice return the deposited share warrant to the depositor.

Disabilities

59. Subject as herein otherwise expressly provided;
- (1) No person shall, as bearer of a share warrant sign a requisition for calling a meeting of the Company or attend and vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company.
- (2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holder of the shares included in the warrant and he shall be a member of the Company.

Renewal

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

ALTERATION OF CAPITAL

Alteration and consolidation of capital

61. (1) The Company may from time to time alter the conditions of its Memorandum as follows:-
- (a) increase its share capital by such amount as it thinks expedient by issuing new shares;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:-
 - (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (d) sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount, if any, unpaid on each reduced shares shall be the same as it was in the case of the share from which the reduced share is derived;
 - (e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

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

62. The Company may, by Special Resolution, reduce in any manner and with and subject to any incident authorised and consent required by law:

- (a) its shares capital;
- (b) any capital redemption reserve account or
- (c) any share premium account.

GENERAL MEETINGS.

63. (a) The Company shall within a period of not less than one month and not more than six months from the date at which the Company is entitled to commence business, hold a General Meeting of the members of the Company which shall be called the Statutory Meeting.

Statutory
Meetings

(b) the Board of Directors shall, not less than twenty-one days before the date on which meeting is held, forward a report called the Statutory Report to every member of the Company, provided that if the Statutory Report is forwarded later than is required above it shall, notwithstanding the fact, be deemed to have been duly forwarded if it is so agreed to by all the members entitled to attend and vote at the meeting.

(c) The Board of Directors shall comply with the provisions of Sec. 165 of the Act in connection therewith.

64. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions specified below:-

Annual General
Meetings

(a) The first Annual General Meeting of the Company shall be held within eighteen months of its incorporation.

(b) The subsequent annual general meetings shall be held by the Company within six months after the expiry of each financial year of the Company subject however to the power of the Registrar of Companies to extend the time within which such a meeting can be held for a period not exceeding three months and subject thereto not more than fifteen months shall elapse from the date of one annual general meeting and that of the next.

(c) Every annual general meeting shall be called for at a time during business hours on a day that is not a public holiday and shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered office of the Company is situate.

(d) Notice calling such meeting shall specify them as the Annual General Meetings.

(e) All other meetings shall be referred to as Extra-ordinary General Meetings.

65. Extra-Ordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board of Directors or the Managing Agents, (subject to any directions of the Board of Directors) may deem fit.

Extra Ordinary
General
Meetings

Right to
summon
extraordinary
General Meeting

66. The Managing Agents may whenever they think fit and the Managing Agents shall if so directed by the Board of Directors convene an Extra-Ordinary General Meeting at such time and place as the Board may direct and subject to such directions/ if any, at such place and time as the Managing Agents may deem fit.

Extra ordinary
general meeting
by requisition

67. (a) The Board of Directors shall on the requisition of such number of member of the Company as is specified below proceed duly to call an Extra-Ordinary General Meeting of the company and comply with the provisions of the Act in relation to meetings on requisition

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

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

(d) The number of members entitled to requisition a meeting with regard to any matter shall be such number of them as hold on the date of the deposit of the requisition not less than 1 /10 th of such of the paid-up capital of the Company as at the date carries the right of voting in regard to the matter set-out in the requisition.

(e) If the Board of Directors do not within twenty one days from the date of deposit of requisition with regard to any matter proceed duly to call a meeting for the consideration of these matters on a date not later than forty five days from the date of deposit of the requisition the meeting may be called by the requisitionists themselves or such of the requisitionists as represent either majority in value of the paid-up share capital held by all of them or if not less than 1 /10th of such paid-up capital of the Company as is referred to in sub-clause (d) above, whichever is less.

Notice for
General
Meeting

68. A General Meeting of the Company may be called by giving not less than twenty one day's notice in writing, provided that a general meeting may be called after giving shorter notice of consent thereto is accorded in the case of the Annual General Meeting by all the members entitled to vote thereat and in the case of any other meeting, by members of the Company holding not less than than 95% of that part of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting.

Accidental
omission to give
notice to
invalidate
meeting

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

Special Business
and statement to
be annexed

70. All business shall be deemed special that is transacted at an Extra Ordinary General Meeting and also that is transacted at an Annual General Meeting with the exception of declaration of a dividend, the consideration of the accounts, balance sheets and the reports of the Directors and Auditors, the election of the Directors in the place of those retiring by rotation and the appointment and the fixing of the remuneration of Auditors. Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be

annexed to the notice of the meeting, a statement setting out all material facts concerning each such items of business, including in particular the nature of the concern or interest, if any, therein of every Director, the Managing Agents and the Manager, if any. If any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

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

PROCEEDINGS AT GENERAL MEETINGS

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

Quorum

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

If Quorum not present when meeting to be dissolved and when not to be dissolved

73. The Chairman, if any, of the Board of Directors, shall preside as Chairman at every General Meeting of the Company.

Chairman of General Meetings

74. The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting. If there be no Chairman or if at any meeting, he shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Vice-Chairman, or in the case of his absence or refusal, the Directors present may choose one of the Directors to be Chairman, and if no Directors present be willing to take the Chair, the members present shall choose one of their member to be the Chairman.

When Chairman absent, choice of another chairman

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

Adjournment of meeting

76. At any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of

Questions at General meetings how decided

Section 179 of the Act. Unless a poll is so demanded, a declaration by Chairman that resolution has, on a show of hands, been carried unanimously or by a particular majority, or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

Casting Vote 77. In the case of an equality of votes, the Chairman shall, both on a show of hands and on a poll, have a casting vote in addition to the vote or votes to which he may be entitled as a member.

Taking of poll 78. If poll is duly demanded in accordance with the provisions of Section 179 of the Act, it shall be taken in such manner as the Chairman directs, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

In what cases poll taken without adjournment 79. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when demand was made, as the Chairman may direct.

VOTES OF MEMBERS

Voting Rights 80. (a) Every member of the Company holding any Equity Shares shall have a right to vote in respect of such shares on every resolution placed before the Company. On a show of hands, every such member present in person shall have one vote. On a poll, his voting right in respect of such shares shall be in proportion to his share of the paid-up equity capital of the Company.

b) The holders of Preference shares shall have a right to vote on resolutions place before the Company which directly affect the rights attached to the Preference shares and subject as aforesaid the holders of Preference shares shall in respect of such capital be entitled to vote on every resolution placed before the Company at a meeting if the dividend due on such capital or any part of such dividend remains unpaid in respect of an aggregate period of not less than two years preceding the date of commencement of the meeting, and where the holder of any Preference Shares has a right to vote as aforesaid on any resolution, every such member personally preset shall have one vote and on a poll his voting right, in respect of such shares capital shall be in the same proportion as the paid-up capital in respect of such Preference shares bears to the total paid-up equity capital of the Company.

Other business may proceed not withstanding demand for poll. 81. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Joint holders 82. In the case of joint holders, the vote of the first named of such joint holders who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Member of unsound mind 83. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote, whether on a show of

Hands or on a poll, by his committee or other legal guardian, and any such Committee or guardian may, on a poll vote by proxy.

84. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Member entitled to vote while call due to company

85. On a poll, votes may be given either personally or by proxy. A body corporate may vote in accordance with the provisions of Section 187 of the Act.

Proxies permitted on polls

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

Instrument of proxy

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

(c) So long as an authorisation under Sub-clause (b) above is in force, the power to appoint a proxy shall be exercised only by the person so appointed as representative.

87. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of the Company not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll not less than twenty four hours before the time appointed for the taking of the poll and in default the instrument of proxy/ shall not be treated as valid.

And to be deposited at the office

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

Proxy valid notwithstanding death of appointer

89. Any instrument appointing a proxy may be in the following or in any other form which the Board shall approve:

Form of proxy

**1. GENERAL FORM
G T N INDUSTRIES LIMITED**

I/We..... of..... in the district ofbeing a member/members of the above named Company hereby appoint.....of.....in the district of.....or failing him..... of.....in the district of.....as my/our proxy to vote for me/us.....on my/belief at the annual general meeting/general meeting (not being an annual general meeting) of the Company to be held on theday ofand at any adjournment there of.
Signed this.....day of.....

Signature

**II. FORM FOR AFFORDING MEMBERS AN OPPORTUNITY
OF VOTING FOR OR AGAINST A RESOLUTION
G T N INDUSTRIES LIMITED**

I/We.....of.....in the district ofbeing a member/members of the above named Company hereby appoint..... of..... in the district of of failing him..... of..... in the district.....as my/our proxy to vote for me/us on my/our behalf at the annual general meeting/general meeting (not being an annual general meeting) of the Company, to be held on the.....day of..... and any adjournment thereof.

I/We direct the proxy to vote:
For/against Resolution No.1.
For/ against Resolution No.2.
For/against Resolution No.3

Signed thisday of.....19.....

IMPORTANT:

NOTE:- Strike out "for" or "against" as appropriate.
Unless this is done and unless otherwise instructed, the proxy will act as he thinks fit.

Signature.

No. of Directors

90. Subject to the provisions of Section 252 of the Act, until otherwise determined, the number of Directors shall not be less than three and not more than fifteen exclusive of ex-officio Directors and Special Directors.

Managing Agents right to appoint Directors

91. The Managing Agents shall be entitled to appoint not more than two Directors when the total number of Directors exceed five and one Director when the total number of Directors does not exceed five. The Managing Agents may at any time remove any Director so appointed and appoint another Director in his place or in place of the Director of Directors so appointed shall be Ex-Officio Directors. They shall not be liable for retirement by rotation and shall not be

required to hold qualification shares. The Managing Agents shall not however be under any obligation to appoint any Directors under this clause.

92. The First Directors of the Company are:

First Directors

- (1) Sri. N. Soundarajan
- (2) Sri. S. Devaraj
- (3) Sri. N. Vinothan

93. No. share qualification will be necessary for being appointed for holding the office of a Director of the Company.

Director's share qualifications

94. The Board shall elect one of its members to be the Chairman of the Board and also elect one of the members to be Vice-Chairman of the Board, and the Board shall determine the period for which each of them is to held such office.

Chairman of the Board of Directors

95. If the office of any Director becomes vacant before the expiry of the period of Directorship in normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not become vacant as aforesaid.

Casual Vacancy

96. The Directors may, from time to time, appoint any person as an additional Director provided that the number of Directors together shall not exceed the maximum number of Director Fixed under Article 90 Above. Any person so appointed as an Additional Director shall hold office up to the date of the Annual General Meeting of the Company.

Additional Directors

97. Every Director including the Ex-Officio Director shall be paid, out of the funds of the Company, by way of remuneration, a sitting fee as per provisions of Section 310 of the Companies Act, 1956 for each meeting of the Board of Directors or any committee of Directors attended by him irrespective of the number of days for which such Meeting may continue consecutively and shall also be paid all travelling and other expenses properly incurred by him for attending and returning from meetings of the Company or in connection with the business of the Company.

Remuneration Directors

VACATION OF OFFICE BY DIRECTORS.

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

Vacation of office by Directors

- (a) he is found to be of unsound mind by a Court of competent jurisdiction;
- (b) he applies to be adjudicated an insolvent;
- (c) he is adjudged an insolvent;
- (d) he is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months;
- (e) he fails to pay any call in respect of shares of the Company held by him whether alone or jointly with other, within six months from the last date fixed for the payment of the call, unless the Central Government has by notification in Official Gazette removed the disqualification incurred by such failure;

(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.

(g) He (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private Company of which he is a directors, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act.

(h) he acts in contravention of Section 299 of the Act.

(i) he becomes disqualified by an order of Court under Section 203 of the Act; or

(j) he is removed in pursuance of Section 284 of the Act.

(k) having been appointed a Director by virtue of his holding any office or other employment in the Company or as the nominee of the Managing Agents of the Company, he ceases to hold such office or other employment in the Company or as the case may be, the Managing Agency comes to an end.

(2) Notwithstanding anything in Clause (d), (e) and (j) aforesaid, qualification referred to in those Clauses shall not take effect.

(i) for thirty days from the date of the adjudication, sentence or order

(ii) Where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence/ or order until the expiry of seven days, from the date of which such appeal or petition is disposed off;

(iii) Where within, the seven days aforesaid any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off,

Alternate
Directors

99. (1) The Board of Directors of the Company may appoint an Alliterate Director to act for a Director (hereinafter called in this clause "the Original Director") during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held.

(2) An Alternate Director appointed under Sub-Clause (1) shall not hold office as such for a period longer than that permissible to be Original Director in whose place has been appointed and shall vacate office if and when the original Director returns to the State in which meetings of the Board are ordinarily held.

(3) if the term of office of the Original Director is determined before he so returns to the State aforesaid, any provision for the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original and not the Alternate director.

100. Subject to the provisions of Sec. 314 of the Act read with Sec.299& 300, no Director shall be disqualified by his office from holding any office or place of profit under the Company or under any Company in which this Company shall be a share-holder or otherwise interested, or from contracting with the Company either as vendor/ purchaser or otherwise, nor shall any such contract or any Contract or arrangement entered in to by or on behalf of the Company in which any Director shall be in any way interested, be avoided nor shall any Director be liable to account to the Company for any profit arising from any such office or place of profit or realized by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relations thereby established, but it is declared that the nature of his interest must be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on if his interest then existed or in any other case/ at the meeting of the Directors after the acquisition of his interest. No Director shall as a Director vote in respect of any contract or arrangement in which he is so interested as aforesaid; and if he does so vote, his vote shall not be counted. Such prohibition shall not apply to any contract by or on behalf of the Company to give the Directors or any of them any security for advances or by way of indemnity. A general notice as per provisions of Sec. 299 of the Act, that a Director is a member of any specified firm or Company and is to be regarded as interested in all transactions with the firm or Company shall be sufficient disclosure under this clause as regards such Director and the said transactions, and after such general notice, it shall not be necessary for such Director to give special notice, relating to any particular transaction with that firm or Company.

Director may contract with company

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

Right of Directors

ROTATION OF DIRECTORS

102. Not less than two-thirds of the total number of the Directors of the Company for the time being holding office shall be Directors whose period of office is liable to be determined by retirement by rotation and who shall be appointed by the Company in General Meeting.

Number of Directors liable to retire

103. (a) At any time and from time to time the Board of Directors may declare that any person who is a Directors of the Company shall not be liable for retirement and thereupon such DIRECTOR shall cease to be liable for retirement by rotation provided that the Directors shall so exercise the power that total number of Directors not liable for retirement including the ex-officio directors shall not, at any time, exceed one-third, of the total strength of the Board for the time being. Such Director is hereinafter referred to as Nominated Director.

Nominated Directors

(b) The nominated Director shall not be liable for retirement by rotation and shall not be required to hold any qualification by way of shareholding. In all other respects, he shall have the same rights and powers as a Director of the Company.

(c) The nominated Directors shall be counted in calculating the maximum number of fifteen referred to in Article 90 above.

(d) In the event of the total number of Ex-Officio Directors and the nominated Directors, not liable for retirement by rotation as aforesaid exceeding one-third of the total number of the Board of Directors, for the time being in office, then the power of the Managing Agents to appoint and ex-Officio Director shall, for the time being be curtailed and suspended so that the total number of Directors not liable for retirement by rotation shall not at any time, exceed one-third of the total number of Directors.

Rotation and Retirement of Directors

104. At the First Annual General Meeting of the Company the whole of the Board of Directors except the Ex-officio Directors as defined under Article

104 (a) Shall retire from office and at the Annual General Meeting in every subsequent year, one-third of such of the Directors as are liable to retire by rotation for the time being or if their number is not three or multiple of three, then the number nearest to one-third shall retire from office.

Retiring director eligible for re-election

105. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing a person thereto.

Which director to retire

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

Retiring Directors to remain in office till successors appointed

107. Subject to Sec.256 of the Act, if at any meeting at which an election of Directors ought to take place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up the vacancy, the meeting shall stand adjourned till the same day in the next week or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place and if at the adjourned meeting the place of vacating Directors is not filled up and that meeting also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been re-appointed at the adjourned meeting.

Power of General meeting to increase or reduce the number of Directors

108. Subject to the provisions of Section 252, 255 and 259 of the Act, the Company in General Meeting may by ordinary resolution increase or decrease the number of its Directors with the limits fixed by Article 90 above.

Power to remove other than retiring directors by ordinary resolution

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

Right of person other than retiring directors to stand for directorship

110. A person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director not less than fourteen days before the meeting has left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director or the intention of such member to propose him as a candidate for that office as the case may be;

Provided that such person has signed and filed with the Company a consent in writing to act as such Director if appointed.

PROCEEDINGS OF THE BOARD

111. (1) The Board of Directors shall meet together atleast once in every three calendar months for the despatch of business and may adjourn and otherwise regulates its meetings and proceedings as it thinks fit, and atleast four such meetings shall be held in every year. Meeting of the Board

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

112. (1) Save as otherwise expressly provided in the Act, 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 the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board. Questions how decided

(2) In case of an equality of votes/ the Chairman shall have a casting vote in addition to his vote as a Director.

113. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below quorum the continuing Directors or Director may act for the purpose of increasing the number of Directors to quorum or of summoning a general meeting of the Company but for no other purpose. Right of continuing directors when there is no quorum

114. The quorum for a meeting of the Board of Directors shall be one-third of its total strength, (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 to interested Directors, is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say the number of the Directors who are not interested present at the meeting beings not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors or that date of the resolution or meeting/ that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at that time. Quorum

115. All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of the Directors the Chairman be not present at the time appointed for holding the same, then in that case, the Vice-Chairman if present, shall be the Chairman of such meeting, and if the Vice-Chairman be not present, then in that case, the Directors shall choose one of their number then present to preside at the meeting. Chairman of meeting

116. (1) The Board may, subject to the provisions of the Act, delegate any of its powers to committee consisting of such member of members of its body, as it thinks fit. Delegation of Power

(2) Any committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.

Election of
Chairman of the
Committee

117. (1) A committee may elect a Chairman of its meeting; if no such Chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.
- (2) The quorum of a Committee may be fixed by the Board of Directors and until so fixed if the Committee is of a single member or two members shall be one and if more than two members shall be two.

Questions how
decided

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

Acts done by
board or
committee valid
notwithstanding
defective
appointment etc

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

Resolution by
circulation

120. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in numbers than the quorum fixed for the meeting of the Board or the Committee as the case may be) and to all other Directors or members at their usual addresses in India and approved by such of the Directors are then in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been resolution duly passed at a meeting of the Board or Committee duly convened and held.

POWERS OF DIRECTORS

General Powers
of the Board

121. Subject to the provisions of the Managing Agency Agreement and Articles 122 to 125 hereunder, the business of the Company shall be managed by the Directors, who may pay all the expenses incurred in getting up and registering the Company, and may exercise all such powers of the Company, as are not by the Companies Act 1956, or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in general meeting subject nevertheless to and regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting; but no regulations made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

Further powers
of the Board

122. In furtherance of and without prejudice to the general powers conferred by or implied in Article 121 and other powers conferred by these Articles, and subject to the provisions of Sec. 292 and Sec. 293 of the Act, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to do the following

things which powers except when by law or by nature of the transaction required to be done by the Board of Directors of the Company shall be exercised through the Managing Agents:-

- (1) To pay costs, charges, and expenses preliminary and incidental to promotion, formation, establishment and registration of the Company and to have the same charged upon the funds of the Company over such period of years as the Directors shall think fit.
- (2) To enter forthwith into an agreement with the Managing Agents.
- (3) To purchase or otherwise acquire for the Company any property, rights/ or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit.
- (4) At their discretion to pay for any property, rights, or privileges acquired by, or services rendered to the Company, either wholly or partially in such or in shares, bonds, debentures or other securities of the Company, and any such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, or other securities may be either specifically charges upon all or any of the property of the Company and its uncalled shares, or not so charged.
- (5) 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 beings in such other manner, as they think fit.
- (6) Subject to the provisions contained in the Managing Agency Agreement to appoint such Secretaries, and officers, 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 and emoluments and to require security in such instances and to such amounts as they think fit.
- (7) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company and also to compound and allow time for payment or satisfaction any debts due/ and all or any claims or demands by or against the Company.
- (8) To refer any claim or demands by a against the Company to arbitration and observe and perform the awards.
- (9) To make and give receipts, releases and other discharges for money payable to the Company, and for the claims and demands on the Company
- (10) To execute all deeds, agreements, contracts, and other documents that may be necessary or expedient for the purpose of the Company.
- (11) To undertake on behalf of the Company the payment of all rent and the performance of all covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the company.
- (12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal Liability for the benefit of the Company, such mortgages of

the Company's property (Present and future) as they think fit, and any such mortgage may contain a power of sale, and such other powers/ covenants, and provisions as shall be agreed upon.

(13) From time to time to make, vary and repeal byelaws for the regulation of the business of the Company, its officers and servants.

(14) To invest and deal with the moneys of the Company upon such securities and investments and in such manner and places as the Directors or the Managing Agents may think fit and from time to time to vary or realise such investments, but subject to the provisions of Sec.292 of Act.

(15) To borrow on mortgage of the whole or any part of the property of the Company or on the bonds/ debentures either unsecured or secured by a charge or mortgage, notes or other securities of the Company, or otherwise as they may deem expedient such sums as they may think necessary for the purpose of the Company.

(16) To purchase, take on lease or otherwise acquire and to mortgage, lease, exchange or otherwise dispose of for the Company, any property, rights or privileges which the Company is authorised to acquire or dispose of at such price, and generally on such terms and conditions as they may think fit, and to sign contracts, agreements, conveyances and other documents and to register documents and admit execution thereof.

(17) To acquire or erect houses or buildings for the Officers of the Company, or for transaction of its business or for the employees of the Company or for the purposes of investment or otherwise and to insure against fire or other risks all or any of the insurable property of the Company.

(18) To open and establish branches and agencies for the conduct of the Company's business in any part of the world as may be determined by the Directors from time to time.

(19) To make, draw, endorse, or discount any cheque, promissory notes, Government of India Promissory Notes or other Government Securities, hundies or other negotiable instruments in the name and for the purpose of the Company.

(20) Notwithstanding anything herein contained, to give to any Directors officer or servant of the Company, an interest in any particular business or transaction, or a participation in the profits thereof in substitution for a salary and such participation, commission or salary shall be treated as part of the working expenses of the Company

(21) To act on behalf of the Company in all matters relating to bankrupts and insolvents.

(22) Before recommending any dividend, to set aside out of the profits of the Company such sums as they think proper as a Reserve Fund for meeting contingencies or for equalising dividends, or for repairing improving and maintaining any of the property of the Company and for such other purpose as the Directors shall in their absolute discretion think conducive to the interests of the Company and to invest the several sums so set aside upon such investments as they may think fit and from

time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and to divide the Reserve Fund into such special funds as they think fit with full power to employ the assets constituting the Reserve Fund in the business of the Company and that without being bound to keep the same separate from other general assets.

(23) To pay and satisfy all debts due from and all liabilities of and claims and demand against the Company.

(24) To enter into contracts for the Company/ and to contract on behalf of the Company such debts and liabilities as they may in the exercise of their discretion consider necessary or proper in transacting the business of the Company.

(25) To take all necessary steps for registering the Company in conformity with the Laws of any Foreign State and to apply for and accept all statutes, laws or decrees of the Government or authorities there of necessary or expedient for enabling the Company to carry on or more conveniently to carry on business within the jurisdiction of such state.

(26) to make and carry into effect any arrangement for working in business with or affiliating any other person, or persons, company or companies, carrying on any business capable of being conveniently worked in conjunction with the business of the Company under terms and conditions that may be determined upon by the Directors of the Company in working or in liquidation.

(27) To establish, maintain, support to any charitable or public or national object and 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, and to give pensions, gratuities 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 mat may appear to the Directors just or proper whether any such person, his widow, children or defendants have or have not a legal claim upon the Company, but subject to the provisions of Section 293 of the Act.

(28) Before recommending any dividend to set aside portions of the profit of the Company to form a fund to provide for such persons, gratuities or compensations or to maintain or create any Provident Fund or Benefit Fund for the benefit of the employees of the Company in such manner as the Directors may deem fit.

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

(30) To enter into any agreement with any Government or other Authority, Municipal, Local or otherwise and obtain from them any rights, concessions and privileges as the Directors deem fit.

(31) To open Banking Accounts with any Bank or Banks for and the name of the Company and to operate on me same and to draw cheques on the said Banking Accounts. The Managing Agents are entitled to determine from time to time the persons being Directors, Officers or other employees of the Managing Agency Company, or of the Company, who may sign, or draw such cheques on the Banking Accounts of the Company and sign on the Company's behalf and in its name and for purposes of the Company, Bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, release, contracts and other documents and to give the necessary instructions to the Company's Bankers, whether the account be overdrawn or not.

(32) And generally, at their absolute discretion, to do and person every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company excepting such acts and things as by the memorandum of Association of the Company or by these presents may stand prohibited.

Provided that the Managing Agents shall not exercise the power to:

- (1) make calls on shareholders in respect of moneys unpaid on shares in the Company.
- (2) issue debentures;
- (3) borrow moneys except within the limits previously fixed by Directors at a Board Meeting;
- (4) invest the funds of the Company and make loans except within the limits previously fixed by the Directors at Board Meeting.

Also provided that the Managing Agents shall not exercise their powers in regard to the following matters except with the previous approval of the Directors.

(1) Power to engage as officer or member of the staff of the Company any person who is a relative of any Director, whether of me managed Company or of the Managing Agency Company.

(2) Power to compound or sanction the extension of time for payment of or satisfaction of any debts due to the Company from the managing Agents or any associates of the Managing Agents.

(3) Power to engage staff on behalf of the Company other than staff whose remuneration is within the limits prescribe by the Directors of the Company.

(4) Power to purchase or sell capital assets on behalf of the Company except where the purchase or sale price is within the limits prescribed by the Directors.

be undertaken by the Company, may be undertaken by the Board at such time or times at they shall think fit and further may be suffered by them to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem expedient not to commence or proceed with such branch or kind of business.

124 Subject to Section 292 and other provisions of the Act, the Board may delegate all or any of its powers to any Directors jointly or severally or to any one Director at their discretion.

Delegation of powers

125 The Board may be appoint at any time and from time to time by a power of attorney under the Company's seal any person to be Attorney of the Company for such purpose and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Article and for such period and subject to such conditions as the Board may from time to time think fit and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such Attorney as the Board may think fit.

Attorney of the company

BORROWING

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

Borrowing

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

The Directors may by a resolution at the meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or the Managing Agents within the limits prescribed.

Debenture/Bonds, Debenture Stock or other securities with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General meeting.

Borrowing
powers

127. Subject to the provisions of Article 126 above, the Directors may, from time to time, at their discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company, at such time and in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes, or by opening current accounts, or by receiving deposits and advances, with or without security, or by the issue of bonds perpetual or redeemable debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being, or by mortgaging or charging or pledging any lands, buildings, goods or other property and securities of the Company or by such other means as to them may seem expedient

Assignment of
debentures

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

Terms of
debentures
issues

129. (a) Any such debentures, debenture stock, bonds or other securities may be issued at a discount premium or otherwise/ and with any special privileges as to redemption, surrender, drawings, allotment of shares of the Company, appointment of Directors or otherwise.

(b) Any trust deed for the securing of any debentures or debenture stock and or any mortgage deed and or other bond for securing payment of moneys borrowed by or due by the Company and or any contract or any agreement made by the Company with any person firm, body corporate. Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligation of the Company or by subscriptions to the Share Capital of the Company or provide assistance in any other manner/ may provide for appointment, from time to time by any such Mortgagee, Lender, Trustee or Holders of debentures or Contracting Party as aforesaid, of one or more person to be a Director or Directors of the Company, such Trust Deed, Mortgage Deed, bond or contract may provide that the persons appointing a Director as aforesaid may from time to time remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such persons vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective Mortgage, Loan or Debt or Debentures or on the termination of such contract and any person so appointed as Director under Mortgage or Bond or Debenture Trust Deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.

(c) The Board of directors may by resolution declare that any Director of the Company whether additional director or Director appointed at a General meeting shall be a special Director and thereupon such person shall be a Special Director and shall not be liable for retirement by rotation

and shall not be required to hold any qualification shares. The Board of Directors may determine the period for which such person shall hold office as such special Director either or till the happening of any contingency or subject any conditions.

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

(e) The total number of Directors, if any, so appointed under this Article together with the Ex-officio Directors, if any appointed under Article 91 and the Nominated Directors, if any appointed under Article 103 (a) shall not at any time exceed one-third of the whole number of Directors for the time being.

Register of Mortgages

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

Charge on uncalled capital

131 If any uncalled capital of the Company is included in or charged by any mortgage or other security, the directors may, by instrument under the Company's seal authorize the person in whose favor such mortgage or security is executed, or any other person in trust for him, to make calls on the members in respect of such uncalled capital, and the provisions herein before contained in regard to calls shall, MUTATIS MUTANDIS apply to calls made under such authority may be made exercisable either conditionally or unconditionally, and either absolutely or contingently and either to the exclusion of the Directors' power or

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

Subsequent assignees of uncalled capital

133 If the Directors or any of them, or any other person, shall become personal liable for the payment of any sums 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 secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

Charges in favour of director for indemnity

Powers to be exercised by Board only at meeting;

134 (1) The Board of Directors shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meeting of the Board.

(a) Power to make calls on shareholders in respect of moneys unpaid on their shares.

(b) Power to issue debentures.

(c) Power to borrow moneys otherwise than on debentures.

(d) Power to invest the funds of the Company.

(e) Power to make loans.

(2) The Board of Directors may by a meeting delegate to any committee of the Directors or to the managing Agent's the powers specified in Sub-clauses (c), (d) and (e) above.

(3) Every resolution delegating the power referred to in Sub-clause(c) shall specify the total amount upto which moneys may be borrowed by the said delegate.

(4) Every resolution delegating the power referred to in Sub-clause(d) 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.

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

(6) The Board of Directors shall exercise the powers referred to in Section 262, 316, 372 and 386 of the Act only at meetings of the Board.

Duty to maintain registers etc.

135 The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of the mortgages and charges affecting the properties of the Company or created by it and to keeping a register of the Directors and to send to the Registrar and annual list of members and a summary of particulars relating there to and notice of consolidation or increase of share capital or conversion of shares into stock and copies of special resolutions and other resolution 192 of the Act and a copy of the Register of Directors and notification of any changes therein.

Minutes

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

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

MANAGEMENT

Powers to appoint Managing Director etc.

137. The Directors for the time being may, with the approval of the Central Government under Section 269 of the Act, appoint one or more of their body to

be Managing Director or Managing Directors or whole time Director or whole time Directors of the Company or of any particular branch of the business thereof.

138. The Director or Directors to be appointed under Clause 137 shall be for a term not exceeding five years and may subject to any contract between him and the company from time to time, remove or dismiss him from office and appoint another in his place. On entering into any contract with the Managing Director or on the variation of any such contract, the Company shall give the notice and otherwise observe the requirements of Section 302 of the Act.

Period of office of Managing Director etc

139. A Managing Director or whole time Director shall not, while he continues to hold that Office/ be subject to retire by rotation as herein before provided; but (subject to the provisions of any contract or agreement between him and the Company and to the foregoing provisions) he shall be subject to the same provisions (as to resignation and removal) as the other Directors of the Company and if he cease to hold the Office of Director from any cause/ shall ipso facto and immediately cease to be a Managing or whole time Director,

Provisions to which the Managing director is subject to

140. The remuneration of a Managing Director or whole time Director, subject to Sections 198 and 309 of the Act, shall from time to time be determined by a resolution passed by the Company in General Meeting.

Remuneration of Managing Director etc to be fixed General Meeting

141 A Director who is either in the whole time employment of the Company or a Managing Director , may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by the other; Provided that such remuneration except with the approval of the Central Government; shall not exceed five percent of the net profits for one such Director and if there is more than one such Director ten percent for all of them together.

Limit on remuneration of Managing Director etc .

142 No increase in remuneration shall be made without the approval of the Central Government as required by the Act.

Increase in remuneration

143. The Directors may from time to time entrust to and confer upon a Managing and or whole time Director such of the powers exercisable under these by the presents by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purpose, and upon such terms and conditions and with such restrictions as they think expedient any may from time to time revoke, withdraw, alter or vary all or any of such powers.

Delegation of powers and duties to managing or whole time director

144. The business of the Company shall be carried on by the managing and or whole time Director subject to the superintendence, control and direction of the Board of Directors. The Managing and or whole time Director may subject to the supervision, control and direction of the Board of Directors, have the engagement and dismissal of Officers, Engineers, Clerks and Assistants and the general direction management and superintendence of the business of the Company with full power to do all acts, matters, and things deemed necessary, proper or expedient for carrying on the business and concerns of the Company, and to make and sign all such contracts and to draw, accept, endorse and negotiate on behalf, of the Company, all such bills of Exchange, Promissory Notes, Hundies, cheques. Drafts, Government Promissory Notes, and other

Powers and duties of Managing director etc

Government Papers, and other instruments as shall be necessary, proper or expedient for carrying on the business of the Company and to exercise all the powers authorities and discretions of the Company, except only such of them as by the Companies Act for the time being in force, or these presents are expressly directed to be exercised by the Board or by the share - holders in General Meeting.

COMMON SEAL

Common seal 145. The Board shall provide a common seal of the Company and they shall have power from time to time to destroy the same and substitute new seal in lieu thereof, and the common seal shall be kept at the registered office of the Company and committed to the custody of the Managing Agents.

Affixure of common seal 146. The seal of the Company shall not be affixed to any instrument except by the authority of resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of the Director and the Secretary or such other person as the Board may appoint for the purpose; and the Director and Secretary or other person as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

DIVIDENDS AND RESERVES

Right to dividend 147. (a) The profits of the Company, subject to any Special rights relating thereto created or authorised to be created by these presents, and subject to the provisions of these presents, as to the Reserve Fund, shall be divisible among the members in proportion to the amount of capital paid-up on the share held by them respectively on the last day of the year of account in respect of which such dividend is declared and in the case of interim dividends on the close of the last day of the period in respect of which such interim dividend is paid.

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

Declaration of dividends 148. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

Interim dividends 149. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

Dividends to be paid out of profits only 150. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 205 of the Act.

Reserve funds 151. (1) The Board may before recommending any dividends set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provisions for meeting contingencies or for equalising dividends, and pending such application may at the like discretion either employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may/ from time to time, think fit.

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

152 (1) Subject to the rights of persons if any entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the share of the Company, dividends may be declared and paid according to the amounts paid up on the shares, within forty-two days from the date of declaration.

Method of
payment of
dividend

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

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

Apportionment
of dividend

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

Deduction of
arrears

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

Adjustment of
dividends
against calls

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

Payment by
cheque or
warrant

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

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

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

Receipt of joint
holders

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

Notice of
dividends

Dividends not to bear interest

159. No dividend shall bear interest against the Company.

Unclaimed dividends

160. No unclaimed or unpaid dividend shall be forfeited by the Board unless the claim, thereto becomes barred by law and the company shall comply with all the provisions of Section 205 A of the Act in respect of unclaimed or unpaid dividend.

Transfer of shares not to pass prior dividends

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

CAPITALISATION OF PROFITS

Capitalisation of profits

162. (1) The Company in general meeting, may in recommendation of the Board, resolve; -

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Profit and Loss Account or otherwise available for distribution and

(b) that such sum be accordingly set free for distribution in the manner specified in sub clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend in the same proportion.

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

(i) Paying up any amounts for the time being unpaid on any shares held by such members respectively.

(ii) Paying up in full, unissued shares or debentures of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportions aforesaid; or

(iii) Partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii)

(3) A share premium account and a capital redemption account may, for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

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

Power of Directors for declaration of bonus

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

(a) make all appropriations and application of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures if any, and

(b) generally do all acts and things required to give effect thereto

(2) The Board shall have full Power:

(a) To make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions: and also

(b) to authorise any person to enter on behalf of all the members entitled thereto into an agreement, with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares or debentures to which they may be entitled upon such Capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits reserved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.

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

ACCOUNTS.

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

Books of account to be kept

(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 summarised returns made up to dates 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 shall be open to inspection by any Director during business hours.

165. The books of account shall be kept at the Registered Office or at such other place as the directors think fit.

Where books of accounts to be kept

166. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection of any account or books of documents of the Company.

Inspection by members

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

Statement of accounts to be furnished to general meeting

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

Balance sheet and profit and loss account

- (2) So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 212 and other applicable provisions of the Act.
- (3) If in the opinion of the Board any of the current assets of the Company have not a value on a realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

Authentication of balance sheet and profit and loss account

169. (1) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by the Managing Agents and by not less than two Directors of the Company.

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

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

Profit and loss account to be annexed and Auditors report to be attached to the Balance sheet

170. The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditors Report shall be attached thereto.

Boards report to be attached in balance sheet

171. (1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a report by the Board of Directors with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any Reserves either in such Balance Sheet or in subsequent Balance Sheet, and the amount, if any, which it recommends to be paid by way of dividend.

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

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

(4) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not so authorised shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of sub-clause (1) and 92) of Art 169.

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

172. The Company shall comply with the requirements of Section 219 of the Act.

Right of member to copies of balance sheet and auditor's report

ANNUAL RETURNS

173. The Company shall make the requisite Annual Return in accordance with Sections 159 and 161 of the Act.

Annual returns

AUDIT.

174. Every Balance Sheet and Profit and Loss Account shall be audited by one or more auditors to be appointed as hereinafter mentioned.

Accounts to be audited

175. (1) The first auditor or auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the auditor or auditors so appointed shall hold office until the conclusion of the first Annual General Meeting. Provided that:

Appointment of auditors

(a) The Company may, at a general meeting/ remove any such auditor or all or any of such auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination special notice has been given to the members of the Company not less than fourteen days before the date of the meeting; and

(b) If the Board fails to exercise its powers under this clause, the Company in general meeting may appoint the First auditor or auditors.

(2) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting and every auditor so appointed shall be intimated of his appointment within seven days and every Auditor so appointed unless he is the retiring Auditor, shall within 30 days of the receipt from the company of the intimation of his appointment shall inform the Registrar of Companies in writing he has accepted or refused to accept the appointment.

(3) At any Annual General Meeting, a retiring Auditor, by whatsoever authority appointed, shall be re-appointed, unless:

(a) he is not qualified for re-appointment;

(b) he has given the Company notice in writing of his unwillingness to be reappointed;

(c) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be reappointed, or

(d) where notice has been given of an intended resolution to appoint some person or persons in the place of a retiring Auditor, and by reason of the death, incapacity or disqualification of that persons of all those persons, as the case may be, the resolution cannot be proceeded with

(4) Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the Vacancy.

(5) The Company shall/ within seven days of the Central Government's power under sub-clause (4) becoming exercisable, give notice of the fact to that Government.

(6) The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors (if any) may act, where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.

(7) A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of the resolution for an appointment of that person to the office of Auditor has been given by a member to the COMPANY not less than fourteen days before the meeting in accordance with SEC.190 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the member in accordance with Sec.190 of the Act, and all the other provisions of Sec.225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring Auditor shall not be re-appointed.

(8) The persons qualified for appointment as Auditor shall be only those referred to in Sec.226 of the Act.

(9) None of the persons mentioned in Sec. 226 of the Act as not qualified for appointment as Auditors shall be appointed as Auditors of the Company.

Audit of
branch offices

176. The Company shall comply with the provisions of Sec. 228 of the Act in relation to the audit of the Accounts of branch offices of the Company.

Remuneration of
auditors

177. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of the first Auditors and of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

Rights and
duties of Auditors

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

(2) All notices of and other communications relating to any General Meeting of a Company which any member and vouchers of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

(3) The Auditor shall make a report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account which are laid before the Company in General Meeting during his tenure of office and the report

shall state whether in his opinion and to the best of his information and according to the explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:

- (i) in the case of the Balance Sheet of the state of affairs of the Company as at the end of its financial year, and
 - (ii) in the case of the Profit and Loss Account, of the profit loss for its financial year.
- (4) The Auditor's Report shall also state;
- (a) whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purposes of his audit:
 - (b) whether, in his opinion, books of account as required by law have been kept by the Company so far as appears from his examination of those books, and proper returns adequate for the purpose of his audit have been received from branches not visited by him.
 - (c) whether the report on the accounts of any branch office audited under Sec.228 by a person other than Company's Auditor as required by clause (c) of Sub-section (3) of Sec.228 of the Act, and how he has dealt with the same in preparing the Auditor's Report; and
 - (d) Whether the Company's Balance Sheet and Profit and Loss account dealt with by the Report are in agreement with the books of account and return.
- (5) Where any of the matter referred to in Clauses (i) and (ii) of Sub-section (2) of Sec. 227 of the Act, or in Clause (a), (b) and (c) of Sub-section (3) of Section of 227 of the Act or sub-clause (4) (a)/(b),(c) and (d) hereof is answered in the negative or with a qualification the Auditor's Report shall state the reason for the answer.
- (6) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the company.

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

Accounts when audited and approved and conclusive except as to error discovered within three months

SERVICE OF DOCUMENTS AND NOTICE

180. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting by registered post or by leaving it at the Registered office.

Service of documents on the company

181. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgement or any other document in relation to or in the winding up of the

How documents is to be served on members

Company) may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address in India) To the address, if any, within India supplied by him to the Company for the giving of notices to him.

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

(3) Where a document is sent by post, addressing prepaying and postings a letter containing the notice, provided that where a member where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expense of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected.

(i) In the case of a notice of a meeting, at the expiration of forty eight 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.

Members to
notify address
in India

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

Service on
members having
no registered
address

183. If a member has no registered address in India, and has not supplied to me Company an address within India for the giving of notices 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 persons
acquiring shares
on death or
insolvency of
member

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

Persons entitled
to notice of
general
meetings

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

(i) to the members of the Company as provided by Article 68 in any manner authorised by Article 181 and 186 as the case may be or as authorised by the act.

(ii) to the persons entitled to a share in consequence of the death or insolvency of a member as provided an article 187 or as authorised by the act.

(iii) to the Auditor or Auditors for the time being of the Company, in any manner as authorised by the Act in the case of any member or members of the Company.

186. Subject to the provisions of the Act, any document require 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 in a newspaper circulating in the District where the Registered Office of the Company is situated.

Advertisement

187. Every person, who by the 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 have been duly served on or sent to the person from whom he derives his title to such share.

Members bound by document given to previous holders

188. Any notice to be given by the Company shall be signed by the Managing Agents or by such Director or Officer as the Directors may appoint. The Signature to any notice to be given by the Company may be written or printed or lithographed.

Authentication of documents and proceedings

AUTHENTICATION OF DOCUMENTS

189. Save as otherwise expressly provided in the Act or these Articles a document or proceeding requiring authentication by the Company may be signed by a Director, the Managing Agents or an authorised officer of the Company and need not be under its seal.

Authentication of documents and proceedings

WINDING UP

190. If the Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital or capital deemed to be paid-up, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or deemed to be paid-up at the commencement of the winding up, on the shares held by them respectively: and if in winding up, the assets available for distribution amongst 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 paid-up deemed to be paid-up at the commencement of the winding up, on the shares held by them respectively. Where capital is paid-up on any shares in advance of calls/ upon the footing that the same shall carry interest, such capital shall be excluded and shall be repayable in full before any distribution is made on the paid-up capital or capital deemed to be paid-up together with interest at the rate agreed upon. The provisions of this article shall be subject to any special right or liabilities attached to any special class of shares forming part of the capital of the Company.

Winding up

191. If the Company shall be wound up whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution, divide among the contributories, in specie or kind, any part of the assets of the Company, and may with the like sanction, vest any part of the assets of the company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit, so that no members shall be compelled to accept any shares or securities whereon there is any liability. In case any shares or securities to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to the said shares or securities may within ten days after the passing of the extra ordinary resolution, by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall if practicable act accordingly.

Division of assets of company in specie

Sl. No	Name, address, Descriptions and Occupation of each Subscriber	Number of equity shares taken by Subscriber
1.	Sd/ N.Soundarajan - S/o. G.T.Narayanaswamy Naidu,House Industrialist, 20 Race Course Raod, Dindigul.	101 (One hundred one Only)
2.	M, Doraipandian, Sd/ S/o.M. Mownaguruswami Naidu, - Land Lord, 16, Cathedral gardens, Madras - 34.	101 (One hundred one Only)
3.	N. Vinothan, S/o. G.T.Narayanaswamy Naidu, Sd/ Mirasdar, 20, Race Course Road, - Dindigul.	101 (One hundred one Only)
4.	Saroja Soudarajan, W/o, N. Soundarajan, Land Lady, 20, Race Course Raod, Sd/ Dindigul	101 (One hundred one Only)
5.	S.Devaraj, S/o- S/o N. Srinivasalu Naidu, Merchant, 20,Race Course Raod, Dindigul	101 (One hundred one Only)
6.	Sd/ D. Balasundaram - S/o.K.F. Damodaraswamy Naidu, Engineer, 313, Avanasi Road Coimbatore	101 (One hundred one Only)
7.	Sd/ N. Rudrappan - S/o. K- .Narayanaswamy Naidu, Merchant, 256, Dewan Bahadur Road, R,S. Puram, Coimbatore	101 (One hundred one Only)
	Total	707 (Seven hundred and Seven Only)
	Sd/	

Dated this 12th day of July 1962.

Witness to the above Signataures:

(Sd) N.Thiagarajan,
N.TIAGARAJAN B.Com., B.L.,
S/o. V.Nagappa Chettiar
Commercial Assistant
C/o.Soundarajan Mills Ltd.,