

Memorandum
and
Articles of Association
of
Jocil Limited

CERTIFIED TRUE COPY
For JOCIL LIMITED

Atchamulakul
President & Secretary



FORM I. R.

CERTIFICATE OF INCORPORATION

No. 2260 of 1977-78

I hereby certify that **ANDHRA PRADESH OIL AND CHEMICAL INDUSTRIES 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 **HYDERABAD** this **TWENTIETH** day of **FEBRUARY** **ONE THOUSAND NINE HUNDRED AND SEVENTY EIGHT** (1st Pahlguna, 1899 Saka).



Sd. (V. S. RAJU)

Registrar of Companies
Andhra Pradesh : Hyderabad

Company No. 2260



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

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES,
ANDHRA PRADESH, HYDERABAD**

(Under the Companies Act, 1956 (1 of 1956))

**IN THE MATTER OF THE ANDHRA PRADESH OIL AND CHEMICAL
INDUSTRIES LIMITED.**

I hereby certify that THE ANDHRA PRADESH OIL AND CHEMICAL INDUSTRIES LIMITED, which was originally incorporated on 20th day of FEBRUARY, 1978 under the Companies Act, 1956 and having duly passed the necessary resolution in terms of Section 21 of Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto in the Regional Director, Company Law Board, Southern Region, Madras letter No. 4/21/A. 4/82 dated 30-3-82 the name of the said company is this day changed to JAYALAKSHMI OIL AND CHEMICAL INDUSTRIES LIMITED, and this certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at HYDERABAD this 12th day of APRIL, 1982. (One thousand Nine Hundred Eighty Two) 22nd Chaitra 1904 (Saka)



Sd. (V. S. RAJU)
Registrar of Companies
Andhra Pradesh : Hyderabad

FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON
CHANGE OF NAME

COMPANY NO: 01-02260

IN THE MATTER OF Jayalakshmi Oil And Chemical Industries
Limited

Chemical

I hereby certify that Jayalakshmi Oil And/Industries
Limited

which was originally incorporated on 20th day of
February, 1978 under the Companies Act, and under
the name Andhra Pradesh Oil And Chemical Industries Limited
having duly passed the necessary resolution, the Central
Government signifies in writing accords approval in terms
of the Registrar of Companies, Andhra Pradesh, Hyderabad
Letter No. RAP/TA-I/02260/Sec.21/92 dated 17th
day of September, 1992 for the change of name of the
said Company to JOCIL LIMITED

_____. This Certificate
is issued pursuant to Section 23 (1) of the said Act.

Given under my hand at HYDERABAD this 17th
day of September One thousand nine hundred and
ninety Two.



P. Rama Rao
(P. RAMA RAO)
ASST. REGISTRAR OF COMPANIES
ANDHRA PRADESH:HYDERABAD.

COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
JOCIL LIMITED

Incorporated under the Companies Act, 1956 (1 of 1956)

I. The name of the Company is JOCIL LIMITED

II. The Registered Office of the Company will situate in the State of Andhra Pradesh.

III. The Objects for which the Company is established are :-

A) Main Objects to be pursued by the Company on its incorporation are :-

1. To manufacture, produce, refine, prepare, import, export, purchase, sell and generally to deal in all kinds and types of oils, oil products, oil seeds, blends thereof, and all products or by-products and intermediates thereof including processed fatty acids, hydrogenated fatty acids and hydrogenated oil products.

2. To carry on all or any of the business of manufacture of chemicals, individual fatty acids and their esters, glycerine, amines, nitriles, amides, polyamides, soaps, cosmetics, toilet preparations, resins, emulsifiers, floatation agents, pesticides, pharmaceutical preparations, animal feeds and fertilisers by physical, chemical or any other process or treatment now prevalent or as may be devised in future for products from either vegetable, marine or petroleum sources.
 3. To acquire, construct, operate, work factories and distilleries and assemble, repair, buy, sell or otherwise deal in all kinds of process and precision equipment generally required in the manufacture of oil products, chemicals or their blends and to act as consulting engineers in designing and erecting and to acquire any rights.
 4. To purchase and vend raw materials, intermediates, finished goods either for the activities of the Company or for others and to carry on the business of manufacturers, buyers, sellers, dealers exporters, importers, of any goods or merchandise whatsoever in connection with the business of the Company.
 - 4A. To carry on the business of manufacturing, producing, generating power from all or any of the available sources such as biomass, hydel, gas, wind, co-generation, solar, petroleum or from any other possible sources conventional or non-conventional and in particular to construct, lay down, establish, fix and carry out all necessary power stations, cables, wire lines, accumulators, lamps and works, other erections whatsoever as may be necessary or required for generation, accumulation of power for captive consumption or for distribution, marketing, supplying power in India or elsewhere to any of the Industries, Firms, Electrical Board, Government/Semi Government Bodies, Public or Private Limited Companies and also for private or public purposes.
 - 4B. To carry on the business of leasing, hire purchase and to provide on lease or hire or to take on lease or hire in India or elsewhere all kinds of plant and machinery, equipment, tools, implements, apparatus, computers, immovable and movable properties of all kinds and description and rights, title and interest therein and all kinds of goods and articles whether required for consumption or for commercial, industrial or business use or for any purpose whatsoever.
- B) Objects Incidental and Ancillary to the Attainment of the Main Objects mentioned at (A) above, are as under :-**
5. To buy, sell, manufacture, refine, manipulate, import, export, deal in all metals, and to alter, improve, exchange, hire, let on hire, treat, prepare for market, sell, export, and generally deal in plant and machinery apparatus, tools, commodities, products, materials, merchandise, articles and things whatsoever, which may be found convenient in carrying out any of the objects of the Company and generally carry on, business as merchants, importers and exporters.
 6. To develop and turn to account any land acquired by the Company or in which it is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, fitting up and improving buildings, and by planting, paving, draining, farming, cultivating and letting building on lease or building agreement, and by advancing money to and entering into contracts and arrangement of all kinds with builders and others.
 7. To enter into any arrangement or agreement with any Government, State or Authority, Municipal, Local or otherwise, or any Corporation companies or persons that may seem conducive to the attainment of the Company's objects or any of them and to obtain from any such Government, State Authority, Corporation, Company or person any rights, privileges or concessions and to carry out, exercise and comply with such arrangement or agreement.

8. To apply *for*, promote, and obtain any Act of Legislature or other Authority for enabling the Company to carry any of its objects into effects, or for effecting any modification of the Company's constitution or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly, or indirectly to prejudice the Company's interests.
9. To form, promote, subsidise, organise, and assist or aid in forming, promoting, subsidising, organising, or siding companies, syndicates or partnerships of all kinds for the purpose of acquiring and undertaking any property and liabilities of the Company or of advancing directly or indirectly the objects thereof or for any other purpose which this Company may think expedient and to take or otherwise acquire and to hold shares in any other company having objects similar to those of the Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
10. To take, or otherwise acquire and hold shares debentures or any securities in any other company having objects altogether or in part similar to those of the Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company and to sell transfer or otherwise dispose off or deal with such shares, debentures or any other securities whether for cash or other consideration in the manner deemed beneficial to the Company.
11. To acquire and undertake the whole or any part of the business, property, and liabilities, of any person or company carrying on any business which the Company is authorised to carry on, or possessed to property suitable for the purpose of this Company.
12. To apply for, purchase, or otherwise acquire, any patents, brevets, inventions, licences concessions, and like conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any other purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use exercise, develop or grant licences in respect of or otherwise turn to account the property, rights or information so acquired.
13. To enter into any arrangement for sharing profits or losses, union of interests, co-operation, joint venture, reciprocal concession, or otherwise, with any person or company carrying on or engaged, in or about to carry on or engaged in, any business or transaction which this Company is authorised to carry on or engaged in any business or transaction capable of being conducted so as directly or indirectly to benefit this Company, and to lend money to, guarantee the contracts of or otherwise assist, any such person or company to take or otherwise acquire shares and securities of and such

Company, and to sell, hold, re-issue, with or without guarantees, or otherwise deal with the same.

14. To amalgamate with any other company whose objects are or include object similar in those of this Company, whether by sale or purchase (for fully or partly paid up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid with or without winding up or by sale or purchase (for fully or partly paid up shares or otherwise) of all the shares or stock of this or and such other company as aforesaid or by partnership or in any arrangement of the nature or partnership or in any other manner.
15. Subject to the provisions of the Companies Act 1956, to support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences, calculated to benefit employees or ex-employees of the Company (or its predecessors in business) or the dependents or connections of such person, and to grant pensions and allowances and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful objects.
16. To pay for any property or rights acquired by the Company either in cash or fully or partly paid up shares with or without preferred or deferred rights in respect of dividends or repayment of capital or otherwise or by any securities which the Company has power to issue or partly in one mode and partly in another and generally on such terms as the Company may determine.
17. To take part in the management, supervision or control of the business or operation of any company or undertaking and for that purpose, to appoint and remunerate any Directors, Accountants or other Experts or Officers.
18. To payout of the funds of the Company, either in cash, fully paid shares or otherwise, all the costs, charges, expenses, of all parties of and incidental to the promotion, formation and registration of the Company and of any other company and the issue of its share capital and generally all preliminary expenses whatever incurred in relation to the Company including registration and stamp fees, legal expenses, printing and advertising and the establishment of agencies of the Company and obtaining the subscription of the shares or debentures thereof, including so far as permissible by law all brokerage, commissions, discounts and other remunerations to any person, firm or company as consideration for subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or guaranteeing or agreeing to procure or guarantee subscriptions, whether absolute or conditional for underwriting, placing selling, or otherwise disposing off any shares, debentures or other securities or

property of the Company or any other Company or for procuring or obtaining settlement and quotations upon Madras, Bombay, Calcutta or other stock Exchanges of any of the said shares, debentures or other securities or for services rendered in and about the matters aforesaid or in and about the conduct of the Company's business or of any other company in which the Company may be interested, and to enter into any contact or contracts for any of the purposes hereof.

19. Generally to purchase, take on lease or in exchange, hire or otherwise acquire any real and personal property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business and in particular any land, buildings, easements, machinery, plant and stock-in-trade.
20. To construct, maintain and alter *any* building, works, manufacture roads, railways, docks and other convenience necessary for the business of the Company.
21. To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.
22. To lend money to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealing with the Company and to guarantee the performance of contracts by any such persons or companies.
23. To borrow or raise or secure the payment of money in such manner as the Company may think fit, and in particular by mortgage or by the issue of debentures, perpetual, convertible or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital and to purchase, redeem or pay of any such securities.
24. To receive grants, loans, advances, or other moneys or deposits or otherwise from State or Central Governments, banking or other companies, trustees, or individuals with or without allowance of interest thereon provided that such receiving shall not be for the purpose of banking business.
25. To remunerate any person or company for services rendered, or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures, debenture stock or other securities of the Company or in or about the formation or promotion of the Company or the conduct of the business.

26. To equip expeditions and commissions and to employ and remunerate experts and other agents in connection therewith and with a view to secure any of the objects of the Company.
27. To expend money in' experimenting upon and testing and in improving or securing any process or processes or patent or patents or protecting any invention or inventions which the Company may acquire or propose to acquire or deal with.
28. To make, draw, accept, endorse, discount, execute and issue cheques, credit notes, circulars, notes, bills of exchange, promissory notes, debentures, bills of lading and other negotiable or transferable instruments or securities but not to do the business of Banking as defined in the Banking Regulation Act, 1949.
29. To apply for, subscribe, accept, purchase, acquire, hold, sell and exchange any equity or preference shares and any stock, bond debenture mortgage or other security in any company, Corporation or Government.
30. To undertake and execute any trusts the undertaking whereof may seem desirable, either gratuitously or otherwise.
31. To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other company, having objects altogether or in part similar to those of this Company.
32. To refer or agree to refer any claims, demands, disputes or any other questions, by or against the Company, or in which the Company is interested or concerned and whether between the Company and third party, to arbitration in India or at any place outside India and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
33. To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose off, turn to account or otherwise deal with, all or any part of the property and rights of the Company.
34. To do all or any of the above things in the State or in any part of India or elsewhere, and either as principals, agents, trustees, contractors, or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise.

35. Generally to do all such other matter and things as may appear to be incidental or conducive to the attainment of the above main objects or any of them or consequent upon the exercise of its powers or discharge of its duties.

(C) Other Objects

Nil

IV. The liability of the members of the Company is limited.

- V. The authorized share capital of the company is Rs.10,00,00,000 (Rupees Ten crores only) divided into 1,00,00,000 Equity Shares of Rs.10 each. The Company shall have power to increase or decrease the share capital as may be determined from time to time in accordance with law.

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

S.No.	Name, address, description of occupation of subscribers	Signature of Subscribers	No. of Equity shares taken by each subscribers	Name, address, description, occupation & signature of witness
1.	Andhra Pradesh Industrial Development Corporation Limited (Through Dr. Ram K. Vepa, IAS, Managing Director), 'Parisrama Bhavanam', 5-9-58/ B, Fateh Maidan Road, P.B.No. 1049, Hyderabad-500 029.AP.		Ten	
2.	Dr .Ram K. Vepa, S/o Late Dr. Vepa V. Narasimham, Managing Director. A P. Industrial Development Corporation Ltd., Hyderabad-500 029. AP.		One	
3.	Sri M. V. Bhat, S/o Late M. Narasimha Murthy, Project Manager, AP. Industrial Development Corporation Ltd., Hyderabad-500 029. A,P.		One	
4.	Sri A V. Kishore, S/o Late A Laxminarayan, Project Manager, AP. Industrial Development Corporation Ltd., Hyderabad-500 029. AP.		One	
5.	Sri D.S. Dutt, S/o D. Hanumantha Rao, Manager (Monitoring), AP. Industrial Development Corporation Limited, Hyderabad-500 029. AP.		One	
6.	Sri V. S. N. Murthy, S/o V. V. R. Murthy, Deputy Manager (Accounts), A P. Industrial Development Corporation Ltd., Hyderabad-500 029.		One	
7.	Sri M. V. Raghavacharya, S/o M. V. Rangacharyulu, Dy. Manager (Monitoring), A P. Industrial Development Corporation Ltd., Hyderabad-500 029		One	
8.	Dr. S. R. Nair, S/o Late N. Sankara Pillai, Manager (Chemicals), A P. Industrial Development Corporation Limited., Hyderabad-500 029. A P.		One	
			One	
Total No. of Shares			17 (Seventeen Equity Shares)	

G. S. S. Sastry,
Asst. Secretary,
A. P. Industrial Development Corporation Ltd
'Parisrama Bhavanam', 5-9-58/B,
Fateh Maidan Road, P.B. No. 1049,
Hyderabad-500 029. A.P.

Dated Sixth day of January 1978 at Hyderabad.

COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
OF
JOCIL LIMITED**

Incorporated under the Companies Act, 1956 (1 of 1956)

PRELIMINARY

1. The marginal notes hereto shall not affect the construction hereof in the interpretation of these Articles. In the construction of these Articles, unless there be something in the subject or context, inconsistent herewith words or expressions contained in these presents shall bear the same meaning as in the Companies Act, 1956 and in particular.
 - i) "The Company" or "This Company" means JOCIL LIMITED.
 - ii) "The Act" or "The said Act" means the Companies Act, 1956 for the time being in force.

- iii) "The Office" means "The Registered Office of the Company" for the time being.
- iv) "Dividend" includes Bonus.
- v) "These Articles" or "these presents" means the Articles of Association for the time being in force.
- vi) "The Register" or "Register of Members" means the Register of Members to be kept pursuant to Section 150 of the said Act.
- vii) "Directors" or "the Board" means the First Directors or Directors for the time being of the Company or the Directors assembled at the Board, as the case may be.
- viii) "Auditors, Manager and Secretary" means those Officers for the time being of the Company.
- ix) "Extraordinary General Meeting" means a general meeting of the Shareholders of the Company other than the Annual General Meetings.
- x) "Seal" means the Common Seal for the time being of the Company.
- xi) "Month" means calendar month.
- xii) "In writing" means written or printed or partly written and partly printed or lithographed, or typewritten or other substitute for writing.
- xiii) Words importing the singular shall include the plural and vice versa.
- xiv) Words importing the masculine gender shall include the feminine gender.
- xv) Words importing persons shall include bodies corporate and all other persons recognised by law as such.

Table 'A'
not to apply

2. The regulations contained in Table' A' of Schedule I to the Companies Act, 1956 shall not apply to the Company except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Act.

SHARES

Share Capital

3. a) The authorised share capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crores only) divided into 1,00,00,000 Equity Shares of Rs.10/- each.
- b) The Shares shall be under the Control of the Board who may allot or otherwise dispose them off to such persons on such terms and conditions and either at a premium or at par and at such time as the Board thinks fit. The Board may issue either partly or fully paid up in payment or part payment of any property sold or transferred, goods or machinery supplied or services rendered to the Company in or about the formation or promotion of the Company or the conduct of its business. Provided that an option or right to call of any shares shall not be given to any person except with the sanction of Shareholders in a General Meeting.
4. Subject to the provisions of Section 79 of the Act, the Board of Directors may issue shares of a class already issued at a discount.
5. The amount payable on application on each share of the Company, offered to the Public subscription, shall not be less than 5 per cent of the nominal value of the Shares.
6. Subject to the provisions of Section 80 of the Act, the Company shall have power to issue Preference Shares and such Preference Shares, may with the sanction of an Ordinary Resolution be issued on the terms that they are, or they are at the option of the Company be cumulative or otherwise and shall carry such fixed rate of dividend not exceeding 11 % or such other rate as may be fixed by the Central Government from time to time, subject to payment of Income Tax or otherwise and are liable to be redeemed on such terms and in such manner as the Company may, before the issue of the shares, determine. The Preference Shares shall confer on the holders thereof the right to a fixed cumulative dividend of 11%, per annum (free of company's tax but subject to deduction of taxes at Source at the prescribed rates) on the capital paid up thereon and in the event of winding up the right of repayment of capital and arrears of dividends, whether earned, declared or not upto the commencement of the Winding up in priority to the equity Shareholders but shall not confer any further rights to participate in the profits or assets of the Company.

Shares under control of Board

Shares at a discount

Application money Redeemable

Preference Shares

Commission and
Brokerage

7. i) The Company may pay a commission to any person in consideration of :
- a) his subscribing or agreeing to subscribe whether absolutely or conditionally for any share in, or debentures of the Company; or
 - b) his procuring or agreeing to procure subscriptions whether absolutely or conditionally for any Shares in or debentures of the Company.
- ii) The rate per cent or the amount of the commission, paid or agreed to be paid, in the case of Shares, shall not exceed 5% of the price at which the Shares are issued, and in the case of debentures 2,% of the price at which the debentures are issued; and
- iii) The rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by sub-clause (iii) and (iv) of sub-section (1) of Section 76 of the Act.
- iv) The commission may be satisfied by the payment of cash or allotment or fully or partly paid shares or partly in one way and partly in the other.
- v) The Company may pay such brokerage as may be reasonable and lawful.

Calls on Shares
issued to be made
uniformly

8. The Board shall, make on the issues of Shares, calls for the capital on a uniform basis on all shares falling under the same class. For the purpose of this Article, Shares of the same nominal value on which different amounts have been paid up shall not be taken to come under the same category.

Liability of Joint Holder

9. The Joint holders of a Share shall be severally and jointly liable to the payment of installments and calls due on such shares.

Trusts not recognised,
Registered holder
absolute owner

10. Except as required by law, no person shall be recognised by the company as holding any Share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or any interest in any fractional part of a Share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirely thereof in the Registered holder.

Shareholders' Register

11. The Company shall cause a Register of Members to be kept in accordance with the provisions of Section 150 of the Act.

- | | |
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| 12. Except as provided under Section 77 of the Act no part of the Company's funds shall be employed in the purchase of or lent on the Shares of the Company. | Own Shares not be to Purchased |
|--|--------------------------------|

ALTERATION OF SHARE CAPITAL

- | | |
|---|---|
| 13. The Board may from time to time with the sanction of the Company by Ordinary Resolution increase the Share Capital of the Company by such, sum, to be divided into shares of such amount and of such class with such rights and privileges attached thereto as may be specified in the Resolution. | Increase of Share Capital |
| 14. Subject to the provisions of Section 85, 86, 87 and 88 of the Act, the new shares shall be issued at such time or times and on such terms and conditions and with such rights and privileges as may be specified in the Resolution creating the Shares. | Issue of further Shares |
| 15. The provisions of Section 81 of the Act shall regulate any increase of the subscribed Capital of the Company by issue of new Shares. | How issue of new Shares to be regulated |
| 16. The Company may :- | Reduction of Share Capital |
| <ul style="list-style-type: none"> i) By Special Resolution and subject to confirmation by the court reduce its Share Capital in any way; and in particular and without prejudice to the generality of the foregoing power :- <ul style="list-style-type: none"> a) extinguish or reduce the liability on any of its shares in respect of Share Capital not paid up ; b) either with or without extinguishing or reducing the liability on any of its Shares, cancel any paid up share capital which is lost or is unrepresented by available assets, or c) either with or without extinguishing or reducing liability on any of its shares, payoff any paid up share capital which is in excess of the wants of the company; and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its share accordingly. ii) By Special Resolution reduce in any manner and with and subject to, any incident authorised and consent required by Jaw: <ul style="list-style-type: none"> a) any capital redemption account; or b) any share premium account. | |
| 17. The Company may, by Ordinary Resolution | Consolidation, sub-division etc., of Shares |
| <ul style="list-style-type: none"> a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; | |

- b) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 94 of the Act, and
- c) cancel any shares which, at the date of passing of the Resolution in that behalf have not been taken or agreed to be taken by any person.

SHARE CERTIFICATE

- | | |
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| Share Certificate | 18. Every Certificate of share shall be numbered, shall specify the amount paid thereon and shall be sealed and signed by such person or persons as may from time to time be authorised in that behalf by the Board. |
| Right of Member to have certificate of Share | <p>19. Every person whose name is entered as Member in the Register of Members shall be entitled to receive within three months after allotment (or within such period as the conditions of issue shall provide).</p> <ul style="list-style-type: none"> a) one certificate for all his shares without payment, or b) several certificates each for one or more of his shares, upon payment of such sum, if any, fixed by the Board not exceeding One Rupee for every certificate after the first. Provided that no fees shall be charged for issue of share certificates in denominations corresponding to market unit of trading fixed by stock exchange or for subdivision or consolidation of share certificate into such market lots. |
| Joint Share holders | 20. Joint allottees of Shares shall, for the purpose of these Articles, be treated as a single member and the certificate of any share which may be the subject of joint ownership, may be delivered to the person first named in the Register. |
| Fresh certificate in place of one defaced, lost or destroyed | <p>21. i) If any share certificate is torn or defaced or there is no space in the back thereof for making endorsement of transfers the same, on production to the Company may be cancelled and a new certificate issued in lieu thereof without any charge.</p> <p>ii) If any Share Certificate is lost or destroyed, the party concerned shall subject to furnishing the proof to the satisfaction of the Board and on payment of out of pocket expenses incurred by the Company and on such indemnity as may be considered adequate by the Board be issued a new certificate marking as such in lieu of the lost or destroyed one. For every certificate issued under this</p> |

sub-clause a sum not exceeding Rupee 1/- as may be determined by the Board from time to time shall be paid to the Company. Provided that no fees shall be charged for replacement of share certificates which are old, decrepit or worn out, or where the cages on the reverse for recording transfers have been fully utilised.

CALLS ON SHARES

- | | |
|--|--|
| <p>22. The Board may, from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.</p> | <p>Board to make calls</p> |
| <p>23. Fourteen days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the members revoke the same or extend the time for payment thereof.</p> | <p>Notice of call</p> |
| <p>24. A call shall be deemed to have been made at the time when the Resolution authorising the call was passed by the Board.</p> | <p>When call deemed to have been made</p> |
| <p>25. i) Any amount which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the shares or by way of premium, shall, for purposes of these Articles, be deemed to be a call duly made and payable on the date on which the amount becomes payable by the terms of issue.</p> | <p>Amount payable on allotment or a fixed date to be deemed a call</p> |
| <p>ii) In case of non-payment of such sum all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such amount had become payable by virtue of a call duly made and notified.</p> | |
| <p>26. If the amount payable on a call or installment is not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall be due shall pay interest for the same at the rate of 9 per cent per annum from the day appointed for the payment thereof to the time of actual payment or at such other rate not exceeding 9% as the Board may determine. The Board shall have power to waive payment of any such interest wholly or in part.</p> | <p>Payment of interest on unpaid calls</p> |
| <p>27. On the trial or hearing of any action for the recovery of any money due on any call, it shall be sufficient for the Company to prove that</p> | <p>Evidence in legal action for call</p> |

the name of the member sued is entered in the Register as the holder or one of the holders of the shares in respect of which such debt accrued; that the Resolution making the call, is duly recorded in the minutes book and that notice, if any, of such call was duly given to the member sued in pursuance of these Articles, and it shall not be necessary to prove any other matter whatsoever but the proof of the matter aforesaid shall be conclusive evidence of the debt.

Payment of calls in advance

28. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the sum due upon any shares held by him in excess of the sums called up, and upon the sum so paid or satisfied in advance, or so much thereof as from time to time exceeds the sum called upon the shares in respect of which such advance has been made, the Board may, until the same would but for such advance, become presently payable, pay interest at such rate as agreed upon between the Board and the Member paying the sum in advance but in no case exceeding 6% and the Board may at any time repay the sum so advanced to such member. Provided that such amounts paid up in advance calls shall not rank for dividend or to participate in the profits of the Company.

Company's right to adjust amount due to a member

29. The Board may without the consent of the member apply any amount due by the Company to such member in or towards payment of any amount due to the Company on account of calls or otherwise.

FORFEITURE OF SHARES

Notice when call or installment not paid

30. If any member fails to pay any call, installment or any interest thereon or any amount whatsoever due to the Company, on or before the day appointed for payment of the same, whether demanded or not by the Company, the Board may, at any time thereafter and during such time, as the call, installment, interest or such amount, remains unpaid, serve a notice on such member or any person, if any, entitled to the share by transmission requiring him to pay the amount due, together with any interest that may have accrued and all expenses that the Company may have incurred by reason of such non-payment.

Contents of Notice

31. The notice aforesaid shall name another day not being less than 14 days from the date of the notice and a place or places, on and at which such call or installment and interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of nonpayment on or before the time and at the place appointed, the share in respect of which the call was made or installment is payable will be liable to be forfeited.

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| 32. | If the requirements of the notice as aforesaid are not complied with, any shares in respect of which such notice has been given, may, at any time thereafter, before payment of all calls, installments, interest and expenses due in respect thereon, be forfeited by a Resolution of the Board to that effect. Such forfeiture shall include all dividends and bonus declared in respect of the forfeited shares and not actually paid before the forfeiture. | Failure to comply with notice involves forfeiture of Share |
| 33. | The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of a share and all other rights incident to the share except only such of those rights as are expressly saved by these Articles. | Effect of forfeiture |
| 34. | The Board may sell, re-allot or otherwise dispose off a forfeited share in such manner as it thinks fit. | Disposal of forfeited shares |
| 35. | The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as it thinks fit. | Power to annul forfeiture |
| 36. i) | A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company together with interest thereon from the time of forfeiture until payment at such rate not exceeding 12% as the <i>Board</i> may determine. | Liability on forfeiture |
| | b) The liability of such person shall cease only if and when the Company shall have received payment in full of all such moneys in respect of the shares. | |
| | iii) The Board may enforce the payment of moneys so due. | |
| 37. | Either a judgment or a decree in favour of the Company for calls or other moneys due on any shares, or any part payment or satisfaction thereof or the receipt by the Company of a portion of any money which shall from time to time be due from any member on his shares either towards principal or interest or any indulgence granted by the Company in regard to payment of any such money shall not preclude the Company thereafter from proceeding to enforce forfeiture of such shares as herein provided. | Part payment shall not affect the right of forfeiture |
| 38. | A duly verified declaration in writing that the declarant is a Director or the Secretary 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 fact therein stated as against all persons claiming to be entitled to the Share. | Declaration of forfeiture |

Company's right to transfer share in the name of purchaser

39. The Company may receive the consideration, if any, given for the share on any sale or disposal, thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed and the transferee shall thereupon be registered as the holder of the share.
40. The transferee shall not be bound to see to the application of the purchase money, if any, nor his title to the share be affected by any irregularity or invalidity in the proceedings in the reference to the forfeiture, sale or disposal of the share.

LIEN ON SHARES

Company's lien on partly paid shares

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

Lien on dividend

42. The Company's lien, if any, on a 'Share shall extend to all dividends payable thereon.

Enforcement of lien by sale

43. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien.

Conditions subject to which sale is effected

Provided that no sale shall be made :-

- a) Unless a sum in respect of which the lien exists is presently payable, or
- b) Until the expiration of fourteen days after a notice in writing stating and demanding payment or such part of amount in respect of which lien exists as is presently payable has been given to the registered holder for the time being of the share or the persons entitled thereto by reason of his death or insolvency.

Application of sale proceeds

44. i) The proceeds of the share shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

- ii) The residue, if any, shall, after payment of costs of sale and subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

45. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers herein before *given*, the Board may authorise some person to execute an instrument of transfer of the shares sold, and cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be disputed by any person by any irregularity or invalidity in the proceedings in reference to the sale. Validity of sale

45A. a) Every shareholder or debenture holder of the Company, may at anytime, nominate, in the prescribed manner, a person to whom his shares in, or debentures of the Company shall vest in the event of his death. Nomination

b) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, 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, to the exclusion of all other persons, unless the nomination is varied, cancelled in the prescribed manner.

45B. For the purposes of this Article, unless the context otherwise requires :

(a) Definitions :

Beneficial Owner: "Beneficial Owner" means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996;

Dematerialisation
of Securities

Bye-laws: 'Bye-laws' means bye-laws made by a Depository under Sec. 26 of the Depositories Act, 1996;

Depositories Act : 'Depositories Act' means the Depositories Act, 1996, and any statutory modification or re-enactment thereof for the time being in force;

Depository : 'Depository' means a company formed and registered under the Companies Act, 1956 (I of 1956) ('the Act') and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

Record : 'Record' includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;

Regulations : 'Regulations' means the regulations made by SEBI;

SEBI: 'SEBI' means the Securities and Exchange Board of India;

Security: 'Security' means such security as may be specified by SEBI from time to time;

Shareholder or Member : 'Shareholder' or 'Member' means the duly registered holder, from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every person holding Equity Shares and/or Preference Shares of the Company as also one whose name is entered as a beneficial owner of the shares in the records of a Depository;

(b) Dematerialisation of Securities :

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize or rematerialize its shares, debentures and other securities (both existing and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed thereunder, if any, from time to time;

(c) Option for Investors :

Every person subscribing to securities offered by the Company shall have the option to receive the 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.

Where 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 such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

(d) Securities in Depositories to be in fungible form :

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

(e) Rights of Depositories and Beneficial Owners;

- i. 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 security on behalf of the beneficial owner;

- ii. Save as otherwise provided in (l) above, the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it;
- iii. Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his/her securities held by a Depository.

(f) Depository to furnish information :

Notwithstanding anything to the contrary contained in the Act or these Articles, where the 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 and discs.

(g) Option to opt out in respect of any security :

If a beneficial owner seeks to opt out of a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the intimation as above, make appropriate entries in its record and shall inform the Company accordingly.

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.

(h) Section 83 and 108 of the Act not to apply :

Notwithstanding anything to the contrary contained in the Articles –

- i. Section 83 of the Act shall not apply to the shares with a Depository;
- ii. Section 108 of the Act shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a Depository.

(i) Register and Index of Beneficial Owners :

The Register and Index of Beneficial Owners, maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Security holders as the case may be for the purposes of these Articles.

(j) Intimation to Depository :

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

(k) Stamp duty on securities held in dematerialized form :

No stamp duty would be payable on shares and securities held in dematerialized form in any medium as may be permitted by law including any form of electronic medium.

(l) Applicability of the Depositories Act :

In case of transfer of shares, debentures and other marketable securities, where the Company has not issued any certificate and where such shares, debentures or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

(m) Company to recognize the rights of Registered Holders as also the Beneficial Owners in the records of the Depository :

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the Beneficial Owner of the shares in records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof."

TRANSFER OF SHARES

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| <p>46. The Company shall not register a transfer of shares in, or debentures of, of the Company, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or debentures, or if no such certificate is in existence along with the letter of allotment of the shares or debentures and any other evidence that the Board may require to prove the title of the transferor and his right to transfer the shares or debentures. The transferor shall remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.</p> | <p>Transfer not to be effected unless instrument of transfer and other evidence produced</p> |
| <p>47. The instrument of transfer shall be in the form prescribed by the Act or as near thereto as circumstances will admit.</p> | <p>Form of transfer deed</p> |
| <p>48. a) An application for the registration of a transfer of the shares may be made either by the transferor or by the transferee.</p> | <p>Application for transfer</p> |
| <p>b) If the application for transfer involves partly paid up shares, the transfer shall not be effected unless the Company gives notice of the transfer to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.</p> | <p>Application by the transferor</p> |
| <p>c) Notice to the transferee shall be deemed to have been duly given if it is despatched by pre-paid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.</p> | <p>Notice of transfer</p> |

	<p>d) If no objection is received from the transferee within two weeks from the receipt of the notice the transfer shall be effected and the transferee's name entered in the Register of Members in such manner and subject to the same conditions as if the application had been made by the transferee for transfer.</p> <p>e) No transfer shall be made in the name of an infant, insolvent or a person of unsound mind.</p>
Directors may refuse to register transfer	49. The Board may, at its discretion but subject to the right of appeal conferred by Section 111 of the Act, refuse to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a member in the Company. Provided that a transfer shall not be refused on the grounds that the transferor is either alone or jointly with any other person indebted to the Company for any sum whatsoever other than calls on shares.
Notice of refusal of transfer to be given	50. If, pursuant to any such power, the Company refuses to register any such transfer or transmission of right, it shall, within two months from the date on which the instrument of transfer, or the intimation of such transmission as the case may be, was delivered to the Company, send notice of the refusal to the transferee or the transferor or to the persons giving intimation of transmission, as the case may be.
Transfer to be left at office and evidence given	51. Every instrument of transfer duly stamped shall be left at the Office for registration accompanied by the certificate of the shares to be transferred and any other evidence that the Board may require to prove the title of the transferor or his right to transfer the shares together with fee hereinafter mentioned. The instrument of transfer, unless declined by the Board to be registered, be retained by the Company.
Fee for registration of transfer	52. A fee not exceeding Rupees two as may be determined by the Board from time to time may be charged for each transfer or transmission and shall be paid before the registration thereof.
Suspension of transfer of Shares	53. The registration of transfers may be suspended at such times and for such duration as the Board may from time to time, determine after giving not less than seven days previous notice by advertisement in some news papers circulated locally where the registered office of the Company is situated.

Provided that such registration shall not be suspended for more than thirty days at one time and forty five days in a year.

TRANSMISSION OF SHARES

Survivorship and Succession	54. i) 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.
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- ii) Nothing in clause (1) above shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
55. i) Any person becoming entitled to a share in consequence of the death or insolvency of a Member any, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect either;
- a) to be registered himself as holder of the share
 - or
 - b) to make such transfer of the share as the deceased or the insolvent member could have made.
- ii) The Board shall in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
56. i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- Procedure for transfer of
Shares arising out of the
Preceding Article
- ii) If the person aforesaid shall elect to transfer the share he shall testify his election by executing an instrument of transfer of the shares.
- iii) All the limitations, restrictions and provisions of these Articles relating to the right of transfer and the registration of transfer 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.
57. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not before being registered as a member, in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided that the Board may, at any time give notice requiring any such person to elect either to be registered himself or transfer the share, and if the requirements of the notice are not complied with, within ninety days, the Board may, thereafter, withhold payment of all dividends, bonus, or other moneys payable in respect of the share until the requirements of the notice have been complied with.
- Rights of persons
acquiring shares by
transmission

Company does not incur liability or responsibility on transfer

58. a) The Company shall not incur any liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares, made or purporting to be made by an apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming equitable right, title or interest to or in the same shares, notwithstanding that the Company may have notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice, or referred thereto in any book of the Company' and the Company shall not be bound or required to attend to give effect to any notice which may be given to it or 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 some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

b) The provisions of these Articles shall apply mutatis mutandis to the transfer of, or the transmission by operation of law of the right to, debentures of the Company.

SHARE WARRANTS

Issue of Share warrants

59. The Company may issue share warrants subject to and in accordance with the provisions of Sections 114 & 115 of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence, if any, as the Board may, from time to time, require as to the identity of the person signing the application and on receiving the certificates, if any of the shares, 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.

Right of bearer of share warrant

60. i) The bearer of a share warrant may at any time during office hours deposit the warrant at the office of the Company, and so long as the warrant remains 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 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.

ii) Not more than one person shall be recognised as the depositor of the share warrant.

iii) The Company, shall, on two days written notice, return the deposited share warrant to the depositor.

61. i) Subject as herein otherwise expressly provided, no person shall, as a bearer of share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote, or exercise, any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

Restrictions on bearer of share warrant

ii) 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.

62. The Board 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.

New warrants in case of loss etc.

CONVERSION OF SHARES INTO STOCK

63. 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 and re-conversion by ordinary Resolution

64. The holder of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which, the shares from which the stock arose might, before the conversion have been transferred, or as near thereto as circumstances admit.

Provided that the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

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

Rights of stock holder

66. Such of the Articles of the Company (other than those relating to the share warrants) as are applicable to paid up shares shall apply to stock and the word "Share" and "Shareholder" in these presents shall include "Stock" and "Stockholder" respectively.

VARIATION OF RIGHTS OF SHAREHOLDERS

Variation of rights of shareholders

67. i) The rights and privileges if any, attached to the different classes of shareholders for the time being (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 106 and 107 of the Act and whether or not the company is being wound up, be varied, modified or affected with the consent in writing of the holder of three fourths of the issued shares of that class, or with the sanction of a resolution passed at a separate General Meeting of the holders of the shares of that class and supported by the votes of the holders of not less than three fourths of these shares.
- ii) To every such separate General Meeting the provision contained in these Articles relating to General Meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons atleast holding or representing by proxy one third of the issued shares of the class in question.

Subsequent issue of shares shall not affect the rights of earlier issues

68. 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 issue of the shares of that class, be deemed to be varied by the creation of issue of further shares ranking pari passu therewith.

JOINT HOLDERS

69. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles.
- a) The Company shall have the right to refuse to register more than four persons as joint holders of any share;
 - b) The joint holders of any share shall be liable jointly and severally for all calls and other payments thereof;
 - c) Article (20) with reference to joint holders shall apply. The Board may require such evidence as it may think fit.
 - d) Anyone of the joint holders may give effectual receipts for any dividends or other sums payable in respect of such share;
 - e) Only the persons whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to the delivery of the certificate of such share or to receive notice from the Company and any notice given to such person shall be deemed to be notice given to all the joint holders.

- f) Any person of the joint holders may vote at any meeting either personally or by proxy or attorney in respect of such shares as if he were solely entitled thereto. If more than one of such joint holders be present at any meeting personally or by proxy then one of such persons whose name stands first or higher, as the case may be, in the Register in respect of such shares shall alone be entitled to vote in respect thereof. Provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder represented by a proxy.

GENERAL MEETINGS

1. Annual General Meeting:

70. The Annual General Meeting of the Company shall be held within 6 months after expiry of each financial year unless extended by the Registrar of Companies as provided under Section 166 of the Act and not more than fifteen months shall elapse between the date of one Annual General Meeting and of the next Annual General Meeting. Interval between meetings
71. i) 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 or town in which the Registered Office of the Company is situated and the notice calling the meeting shall specify it as the Annual General Meeting. Calling of Annual General Meeting
- ii) All General Meetings other than Annual General Meeting shall be called Extraordinary General Meetings.

2. Extraordinary General Meeting

72. 1. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall on the requisition of the holders, at the date of deposit of requisition of not less than one-tenth of such of the paid up capital of the Company upon which all calls or other moneys then due have been paid as on that date carries the right of voting in regard to the matter for which the meeting is requisitioned forthwith proceed to call an Extraordinary General Meeting of the Company and the following provision shall have effect on such requisition. Calling of Extra-ordinary General Meeting
- i) The requisition shall set out the matter for the consideration for which the meeting is to be called and shall be signed by the requisitionists and deposited at the Registered Office of the Company. The requisition may consist of several documents in like form each signed by one or more requisitionists.

- ii) If the Board does not, within twenty one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of deposit of the requisition. the requisitionists or such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of such of the paid up share capital of the Company as is referred to above in this Article *whichever* is less may themselves *convene* meeting but no such meeting shall be held after expiration of three m months from the date of the deposit of the requisition.
 - iii) A meeting duly commenced before the expiry of the period of three months aforesaid may be adjourned to some day after the expiry of that period.
 - iv) Any meeting called under this Article by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be *convened*, by the Board and shall be held at the office of the Company.
 - v) A requisition or notice by joint holders of shares may be signed by one or some only of them.
2. If anytime there are not within India Directors capable of acting who are sufficient in number to form a quorum, any Director of the Company may call an Extraordinary General Meeting in the same manner as early as possible, as that in which such a meeting may be called by the Board.

3. Notice:

73. i) Not less than 21 days notice in writing specifying the place and the day and the hour of the meeting with a statement of business to be transacted thereat shall be given to every member of the Company, to persons entitled to a share in consequence of the death or insolvency of a member and to the Auditor or Auditors for the time being of the Company.
- ii) A General Meeting may be convened giving shorter notice than specified in sub section (1) above if consent is accorded thereto, in the case of Annual General Meeting, by all the members entitled to vote thereat and in other cases by members of the Company holding not less than 95 per cent of such part of the paid up share capital of the Company as gives a right to vote at the meeting.

Notice of meeting

- iii) The accidental omission to give notice to, or the non-receipt of notice by, any member or other person to whom it should be given, shall not invalidate the proceedings of the meeting.
74. i) Where, by any provision contained in the Act or in the Articles, special notice is required of any resolution notice of the intention to move the Resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.
- Special notice to the Company
- ii) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the Resolution in the same manner as it gives notices of the meeting or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode considered proper by the Board not less than seven days before the meeting.
75. Where any items of the business to be transacted at any meeting is deemed to be special as provided under Section 173 of the Act, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature and extent of the interest, if any, therein, of every Director and the Manager, if any.
- Explanatory statement to be annexed to notice
76. Where any item of business consists of the according of approval to any document by the meeting the time and place where the document can be inspected shall be specified in the statement aforesaid.
77. In every notice calling a meeting of any class of members having right to vote by proxy at the meeting, there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to one or more proxies to attend and vote instead of himself and that a proxy need not be a member of the Company.

4. Proceedings at General Meetings

78. i) The ordinary business of Annual General Meeting shall be (i) the consideration of the Accounts, the Balance Sheet and the reports of the Board of Directors and Auditors (ii) the declaration of dividend (iii) the appointment of Directors in the place of those retiring and (iv) the appointment of, and the fixing of the remuneration of the Auditors.
- Ordinary business
- ii) All other business transacted at an Annual General Meeting and all business transacted at any other General Meeting shall be deemed special.
- Special business

Quorum	79. Five members personally present shall be the quorum for a General Meeting.
Quorum shall be present at commencement of business	80. No business shall be transacted at any General Meeting unless the quorum requisite shall be present at the commencement of business.
Consequence of absence of quorum	<p>I</p> <p>i) If, within half an hour from the time appointed for holding a meeting of the Company, the requisite quorum is not present, the meeting if called upon the requisition of or by members shall be dissolved.</p> <p>ii) In any other case the meeting 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.</p> <p>iii) If at the adjourned meeting also the requisite quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be quorum.</p>
Chairman of meetings	82. The Chairman of the Board of Directors shall be entitled to preside as Chairman at every General Meeting. If there is no Chairman or if at any meeting, he is not present within ten minutes after the time appointed for holding such meeting or is unwilling to act, the members present shall elect one of themselves as Chairman of the Meeting.
Procedure followed in deciding questions, Chairman to have casting vote	83. Every question submitted to any General Meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes the Chairman shall both on a show of hands and at the poll have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Chairman's decision final	84. At any General Meeting unless a poll is demanded by atleast five members present in person or by proxy or attorney and entitled to vote, a declaration by the Chairman of a Resolution having been carried or carried by a particular majority and an entry to that effect in the books containing the minutes of the meeting shall be conclusive evidence of the fact without proof of the member or proportion of the votes given for or against such Resolution.
Power to adjourn meeting	85. The Chairman may, with the consent of the meeting, adjourn any General 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 that meeting.

86. i) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Notice to be given if adjourned for more than 30 days
- ii) 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.
87. Where a resolution is passed at an adjourned meeting of : Resolutions passed at adjourned meetings
- a) a Company:
- b) the holders of any class of shares in a Company: or
- c) the Board of Directors of a Company: such Resolution shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
88. i) Vote may be given either personally or by proxy. Vote by proxy
- ii) A proxy shall not be entitled to vote except on a poll.
- iii) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself. Proxy may be a non-member
- iv) A proxy so appointed shall not have any right to speak at the meeting.
89. A body Corporate (whether a company within the meaning of the Act, or not), if it is a member of the Company within the meaning of the Act, may, by a resolution of its Board of Directors, or other governing body, authorise such person as it thinks fit, to act as its representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which the represents at the said body could exercise itself. A true copy of the Resolution duly signed by the Chairman or any Director of such body corporate shall be filed with the Company not less than twenty four hours before the time fixed for holding the meeting. Exercise of voting power by Corporation
90. No member shall be entitled to be present or to vote any General Meeting either personally or by proxy or attorney, whilst any calls or other moneys are due and presently payable to the Company on the shares of such member or in regard to which the Company has, and has exercised, any right of lien. Member not entitled to attend and vote. at meetings when calls due

Vote of members	91. On a show of hands every member present In person and in the case of Corporation by a representative appointed under Section 187 of the Act shall have one vote and upon a poll every member holding ordinary shares and present in person or by proxy or attorney or by a representative under Section 187 of the Act shall have one vote for every ordinary share held by such member. The Voting rights of preference shares holders shall be regulated in accordance with Section 87 (2) of the Act.
Vote of deceased or insane member	92. Any person entitled to any shares under Articles 54 may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that forty eight hours before the commencement of the meeting or adjourned meeting, as the case may be, at which he proposed to vote, he satisfies the Board of his right to such shares or the Board had previously admitted his right to vote at such meeting in respect thereof. If a person is a lunatic or is unsound mind he may vote by his committee or other legal guardian and any such Committee or legal guardian may vote by proxy.
Votes of joint holders	93. In the case of joint holders of any ordinary shares anyone of such persons may vote at any meeting either personally or by proxy or attorney in respect of such shares as if he were solely entitled there to and in case more than one such joint holders are present at any meeting personally or by proxy or attorney that one of the said person whose name stands prior in the register of members in respect of such shares shall alone be entitled to vote in respect thereof, provided that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder represented by a proxy. Several executors or administrators of a deceased member in whose name shares stand shall for purposes of this Article be deemed joint holders of such shares.
Mode of appointment and form of proxy	94. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney in either of the forms set out in Schedule IX of the Act or as near thereto as circumstances permit.
Instrument to be deposited at office	95. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a naturally certified copy of that power of authority (if required by the Company) shall be deposited at the Office not less than 48 hours before the time for holding the meeting or adjourned meeting as the case may be at which the person named in such instrument proposed to vote.
Vote valid through proxy revoked	96. A vote given in accordance with the terms of a power of attorney or of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the power of institument of proxy or the transfer of share in respect of which the vote is

given provided no intimation in writing of the death, revocation or transfer shall have received at the Office before the meeting.

97. i) If a poll is demanded on a question of adjournment or on the election of Chairman, it shall be taken forthwith and if a poll is demanded on any other question it shall be taken in such manner and at such time not being later than 48 hours from the time demand was made and at such place as the Chairman of the meeting directs and the results of the poll shall be deemed to be the decision of the meeting on resolution on which the poll was taken. Poll
- ii) Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by the person or persons specified below:
- a) By atleast five members having the right to vote on the resolution and present in parson or by proxy.
 - b) by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution, or
 - c) by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid up on all the shares conferring the right.
- iii) The demand for a poll may be withdrawn at any time before the poll is taken by the person or persons who made the demand.
- iv) The Chairman shall have the right to determine on the admissibility or otherwise of a vote and such a decision in respect thereof shall be final and conclusive.
98. On a poll taken at a meeting of a class of members of the Company, a member of the class entitled to more than one vote of his proxy or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same manner all the votes he uses. Members can use their votes differently
99. i) Subject to the provisions of the Act the Chairman of the meeting shall have the power to regulate the manner in which a poll shall be taken. Manner of conducting a poll
- ii) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Business should proceed despite demand for poll	100. The demand for a poll shall not prevent the meeting from transacting any business other than the question on which a poll has been demanded.
Appointment of Scrutineers	<p>101. i) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him.</p> <p>ii) The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancy in the office of the scrutineers arising from such removal or from any other cause.</p> <p>iii) Of the two scrutineers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed.</p>
Objection as to qualification of votes not to be raised except at meeting	<p>102. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to, is given or rendered, and every vote not disallowed at such meeting shall be valid for all purposes.</p> <p>Any objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.</p>

102A. RESOLUTION BY POSTAL BALLOT

Notwithstanding anything contained in these Articles, pursuant to Section 192A of the Companies Act, 1956, the Company may, and in the case of resolution relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot (including voting by electronic mode), shall, get any Resolution passed by means of a postal ballot (including voting by electronic mode), instead of / in addition to transacting the business in the General Meeting of the Company and where the Company is required to pass any resolution by postal ballot, it shall send a notice by post, or by any other method as may be prescribed by the Central Government in this behalf to all the shareholders, along with the draft Resolution explaining reasons therefore, and requesting them to send their assent or dissent in writing on a postal ballot, in postage pre-paid envelop to be provided by the Company, with in a period of 30 days or within such period as may be prescribed by the Central Government from the date of posting of the notice.

If a resolution is assented to by a requisite majority of the shareholders by means of postal ballot (including voting by electronic mode), it shall be deemed to have been duly passed at a General Meeting in that behalf.

Minutes of General Meeting	103. The Company shall cause minutes of all proceedings of General meetings to be entered into Books kept for the purpose in accordance with Section 193 of the Act.
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COMMON SEAL OF THE COMPANY

Common Seal	104. The Board shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The Board shall provide for the safe custody of the seal.
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BORROWING POWERS

Borrowing power of Board	<p>105. i) Subject to the provisions of Section 293 of the Act, the Board may from time to time at its discretion borrow or secure the payment of any sum or sums of money for the purpose of the Company.</p> <p>ii) The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular,</p>
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by the issue of bonds, perpetual or redeemable debentures, stock, or any mortgage or other security on the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

- iii) The Board may keep alive redeemed debentures for the purpose of re-issue and shall have the power either to re-issue the same debenture or issue other debentures in place of those redeemed, as it may consider fit.

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| <p>106. The Board shall cause a Register to be kept in accordance with the provisions of Section 143 of 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.</p> <p>107. The sum payable for each inspection of the Register of mortgages and charges by any person other than a member or a creditor of the Company shall be one rupee.</p> | <p>Register of mortgage</p> |
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APPOINTMENT OF DIRECTORS

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| <p>108. Unless otherwise determined by the Company in General Meeting the number of Directors shall neither be less than 3 nor more than 1:2 inclusive of Nominee Directors, Technical Directors, Special Directors, and Debenture Directors, Alternate and Additional Directors, if any, and including any other kind of Director on the Board.</p> | <p>Number of Directors</p> |
| <p>109. i) Notwithstanding anything contained in these Articles, so long as any moneys remain owing by the Company to the IFCI, IDBI & ICICI out of any loans granted by them to the Company or so long as IFCI, IDBI & ICICI (hereinafter each of which is referred to as 'The Corporation' or 'The Body') continue to hold shares in the Company as a result of underwriting or direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors is/are hereinafter referred to as 'Nominee Director or Directors') on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.</p> | <p>Appointment of Directors</p> |

- li) The Board of Directors of the Company have no power to remove the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any qualification shares in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

- iii) The Nominees Director/s so appointed shall hold the said office only as long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold Debentures/ shares in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Corporation.

- iv) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/ are member/s and also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

- v) The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation on such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s.

- vi) Provided that if any such Nominee Director/s is an officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation provided further that if such

Nominee Director/s is/ are an officer of the Reserve Bank of India, the sitting fees in relation to such Nominee Director/s shall also accrue to IDBI and the same accordingly be paid by the Company directly to IDBI.

- vii) In the event of the nominee Director/s being appointed as whole time Director/s such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders and have such rights as are usually exercised or available to a whole time Director/s, in the management of the affairs of the Borrower. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Lenders.

110. The first Directors of the Company shall be :

1. Sri C. Narasimha Sastry, I.A. S.
2. Sri M. Vijaya Bhat
3. Dr. S. Radhakrishnan Nair

111. i) The Board of Directors may appoint an Alternate Director to act for a Director during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held.
- ii) An Alternate Director so appointed shall not hold office longer than the original Director in whose place he has been appointed and shall vacate office on the return of the original Director to the State in which meetings of the Board are ordinarily held.
- iii) If the term of office of the original Director is determined before he so returns to the State aforesaid, any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the original and *not* to the Alternate Director.

Appointment of
Alternate Director

112. i) At the Annual General Meeting at which a Director retires, the vacancy may be filled up by appointing the retiring Director, or some other person in accordance with the provisions of Section 257 of the Act.
- ii) If the place of retiring Director is not filled up and the meeting has not expressly resolved not to fill the vacancy, the provisions of Section 256 (4) of the Act shall apply.

Filling up of vacancy of
retiring Director

113. The Board of Directors may, from time to time and at any time, appoint a person as an Additional Director, who shall retire at the

Appointment of
Additional Director

next Annual General Meeting of the Company but shall be eligible for re-election by the Company at that meeting provided that the number of Directors including such Additional Directors shall not exceed the maximum strength fixed by these Articles.

Filling of casual vacancies among Directors

114. If the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire in the 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 upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.

Directors to act as Board in certain circumstances though below the minimum

115. The continuing Directors may act as a Board notwithstanding any vacancy in the body, but if the number falls below the minimum number fixed under these Articles, the Directors shall not except for the purposes of filling the vacancy, summoning a General Meeting of the Company or for emergency, act as long as the number is below the minimum.

Share qualification of Director

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

REMUNERATION OF DIRECTORS

Remuneration to Directors

117. i) The remuneration if any, payable to the Director shall be determined in accordance with and subject to the provisions of Section 198,309 and 314 of the Act.
- ii) In addition to the remuneration payable to him as aforesaid, the Director shall be paid traveling, hotel and other expenses as determined by the Board from time to time for attending and returning from, meeting of the Board of Directors or any Committee thereof, or in connection with the business of the Company.
- iii) Every Director shall be paid such fee as the Board of Directors determine for each meeting of the Board or committee thereof attended by him. The fee so determined shall not exceed Rs.25,000 for a Board Meeting and Rs.20,000 for a Committee Meeting.

Director or his relative not to hold office of profit

118. i) Subject to the provisions of Section 314 of the Act, without the consent of the Company accorded by a special resolution no Director of the Company shall hold any office or place of profit under the Company and no partner or relative of such Director, no firm in which such Director or a relative of such Director is a partner, no private company of which such Director is a Director

or member and no Director or Manager of such a private Company shall hold any office or place of profit under the Company carrying a total monthly remuneration of Rs.500/- or more except that of Managing Director or Manager, Banker for the debenture holders of the Company.

- ii) Notwithstanding anything contained in sub-clause (i) no partner or relative of Director or Manager, no firm in which such Director or Manager or relative of either is a partner, no private company of which such a Director or Manager or relative of either is a Director or Member shall hold any office or place or profit in the Company which carries a total monthly remuneration of not less than three thousand rupees, except with the prior consent of the Company by a special resolution and the approval of the Central Government.

- 119. i) Every Director of the Company who is in any way whether directly or indirectly concerned or interested in any contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of Directors.

Disclosure of
Directors Interest

- ii) In the case of a proposed contract or arrangement the disclosure required to be made by a Director under sub-clause (i) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration or if the Director was not at the date of that meeting concerned or interested in the proposed contract or arrangement at the first meeting of the Board held after he becomes so concerned or interested.
- iii) In the case of any other contract or arrangement the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
- iv) For the purpose of sub-clauses (i) and (ii) hereof a general notice given to the Board by a Director, to the effect that he is a Director or a member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made.
- v) Any such general notice shall expire at the end of the financial year of the Company in which it is *given* but may be renewed

for further periods of one financial year at a time, by a fresh notice given in the last month of the financial year of the Company in which it would otherwise expire.

- vi) No such general notice, and no renewal thereof, shall be of effect unless either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
- vii) Nothing in this clause shall be taken to prejudice the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contracts or arrangements with the Company.

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

120. No Director of the Company shall as Director take any part in the discussion, or vote on any contract or arrangement entered into or to be entered in to by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time on any such discussion or vote and if he does vote his vote shall be void;

Provided however that a Director may vote on any contract of indemnity against any loss which the Directors or anyone or more of them may suffer by reason of becoming or being sureties or a surety for the Company.

Board's sanction and if necessary Central Government's approval required for certain contracts in which Directors are interested

121. Except with the consent of the Board and, if necessary, previous approval of the Central Government, a Director of the Company or his relative, a firm in which such a Director or relative is a partner, any other partner, in such a firm or a private company of which the Director is a member or Director, shall not enter into any contract with the Company;

- i) For the sale, purchase or supply of any goods, materials or services, or
- ii) For underwriting the subscription of any shares in or debentures of the Company.

Nothing contained in Sub-clause (i) of the preceding Article shall affect any contract or contracts for the sale, purchase or supply of any goods, materials or services in which either the Company, or the Director, firm, partner or private company as the case may be, regularly trades or does business, provided that the value of such goods and materials and the cost of such services do not exceed Rs.5,000/- in the aggregate in any financial year comprised in the period of contract or contracts.

The consent of the Board required by the preceding Article shall not be deemed to have been given within the meaning of that sub-clause unless the consent is accorded by a resolution passed at a meeting of the Board and before the contract is entered into or within three months of the date on which it was entered into.

Where such consent is not accorded to the contract before it is entered into, anything done in pursuance of the contract, shall, if such consent is finally not accorded, be voidable at the option of the Board.

122. Where the Company

Disclosure to Members
of Directors' interest

- i) Enters into a contract for the appointment of a Manager of the Company, in which contract any Director of the Company's in any way whether directly or indirectly concerned or interested, or
- ii) Varies any such contract already in existence and in which a Director is concerned or interested as aforesaid.

the provisions contained in Section 302 of the Act shall be complied with

123. Every Director, Managing Director, Manager or Secretary of the Company who is appointed or who relinquishes the office of Director, Managing Director, Manager or Secretary of any other body corporate shall, within twenty days of his appointment, disclose to the Company the particulars relating to the office in the other body corporate which are required to be specified under Section 303 of the Act.

Duty of Director etc, to
make disclosure

124. i) Every Director of the Company and every person deemed to be Director of the Company by virtue of sub-section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section.
- ii) Any such notice shall be given in writing and if it is not given at a meeting of the Board, the person *giving* the notice shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given.

Duty of Director and
persons deemed to be
Director to make dis-
closure of shareholdings

125. No loans shall be granted to any Director/Directors in contravention of the provisions of the Section 295 of the Companies Act, 1956.

Loan to Directors

VACATION OF OFFICE BY DIRECTORS

Vacation of office by
Directors

126. The Office of a Director shall become vacant if :

- a) he is found to be of unsound mind by court of competent jurisdiction;
- b) he applies to be adjudicated an insolvent;
- c) he is adjudged an insolvent;
- d) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months;
- e) he absents himself from three consecutive meetings of the Board of Directors or from a II meetings of the Board for a continuous period of three months whichever is longer without obtaining leave of absence, from the Board.
- f) he or any firm in which he is a partner or any private company of which he is a Director accepts a loan or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act.
- g) he acts in contravention of section 299 of the Act.
- h) he becomes disqualified by an order of court under section 203 of the Act.

ROTATION OF DIRECTORS

Retirement of Directors

127. 1) At every Annual General Meeting, one-third of such of the Directors for for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.
- 2) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lots.
- 3) At the Annual General Meeting at which a Director retires as aforesaid the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

- 4) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a Public Holiday till the next succeeding day which is not a Public Holiday at the same time and place. If at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless;
- i) at the meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
 - ii) the retiring Director has, by a notice, in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so reappointed;
 - iii) he is not qualified or is disqualified for appointment;
 - iv) a resolution, whether special or ordinary, is required for his appointment or reappointment in virtue of any provisions of the Act;
 - v) the proviso to sub-section (2) of Section 263 is applicable to the case.
- 5) When a Director is to retire at any Annual General Meeting in virtue of sub-clause (2) hereof he shall be deemed for purposes of this clause to retire in virtue of sub-clause (2) of this clause.
128. Subject to the provisions of Section 284 of the Act, the Company, may, by ordinary Resolution remove any Director (not being a nominated Director) before the expiry of his period of Office.
129. No person other than a retiring Director shall be eligible for election to the Office of Director at any General Meeting unless the requirements of Section 257 are complied with.
130. A person, other than a retiring Director, shall not act as a Director of the Company unless he has within 30 days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.
131. i) No motion at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company

Removal of Director

Notice of candidature

Consent to act as
Director to be filed with
the Registrar of
Companies

by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.

- ii) A resolution moved in contravention of sub-clause (i) hereof shall be void whether or not objection was taken at the time to its being so moved. Provided that where a resolution so moved is passed, no provision for the automatic re-appointment of the Directors retiring by rotation in default of another appointment shall apply.
- iii) For the purpose of this clause, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.

CHAIRMAN

Chairman's appointment

- 132. The Directors may elect one of their body to the office of the Chairman of the Board of Directors on such terms and such period as may be determined.
- 133.
 - i) The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings, as they think fit, provided that a meeting of the Board of Directors shall be held atleast once in every three calendar months.
 - ii) Save in emergency not less than 7 days notice in writing shall be given of every meeting of the Board. Such notice shall be given to every Director for the time being in India and at his usual address in India to every other Director. Notice of the date of such meeting shall also be given by cable to every Director not for the time being in India.
- 134. The quorum for ■ meeting of the Board of Directors shall be one-third of the total strength of Directors (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher; provided that where at any meeting the number of interested Directors exceeds and is equal to two-thirds of the total strength, the number of Directors that is to say, the number of the Directors who are not in interested, shall be the quorum during suchtime.

When meeting to be convened

- 135. A Director may, and the Manager or Secretary on the requisition' of a Director shall, at any time convene a meeting of the Board.

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| 136. | Except as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote. The Chairman shall have the right to reserve decision on any matter for consultation with the Andhra Pradesh Industrial Development Corporation Ltd. | Chairman to have casting vote |
| 137. | A meeting of the Board for the time being where a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company for the time being vested in or exercisable by the Board generally. | Powers of Board |
| 138. | The Board of Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit and may from time to time revoke such delegation. Any Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under this clause. | Delegation of powers |
| 139. | All acts done by any meeting of the Board of Directors 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 anyone 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 or such person had been duly appointed and was qualified to be a Director. | Acts of Directors valid not withstanding defective appointment |
| 140. | No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the Resolution has been circulated in draft, to all the directors or to all the members of the Committee then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members at their usual address in India and has been approved by such of Directors as are then in India, or by a majority of such of them as are entitled to vote on the Resolution. | Circular Resolution Valid |
| 141. | The Directors shall cause minutes of meetings of the Board of Directors to be duly entered in books provided for the purpose in accordance with the provisions of Section 193 and 194 of the Act. | Minutes of Meetings of Directors to be recorded |

POWERS OF DIRECTORS

Powers of Directors

142. The management of the affairs of the Company shall be vested in the Board of Directors and subject to the provisions of the Act, the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or by the Memorandum or these Articles or otherwise to be exercised or done by the Company in General Meetings; provided further that in exercising any such power or doing any such act and thing, the Board shall be subject to the provisions contained in that behalf in the Companies Act, 1956, or any other Act, or in the Memorandum or these Articles of Association or in any regulation not inconsistent therewith and duly made there under including regulations made by the Company in General Meeting.

Restriction on Powers of Directors

143. 1) There may be constituted a Committee of Directors to assist the Board of Directors in looking after special and important aspects of the working of the Company by examining in detail and depth, important proposals relating to the expansion, diversification, increase in production etc., before the said proposals are considered by the Board and in ensuring that the decision taken by the Board are properly and effectively carried out. The Committee shall also assist the Managing Director in time of urgency and imperative need to take important decisions falling outside his delegated powers, subsequently to be ratified and approved by the Board of Directors to ensure continued smooth and effective operations of the Company.
- 2) The Board of Directors shall not except with the consent of the Company in General Meeting
- a) Sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;
 - b) remit or give time for the repayment of any debt due by a Director.
 - c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;

- d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or
 - e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will in any financial year, exceed twenty five thousand rupees. or five percent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater.
- 3) Any resolution passed by the Company permitting any transaction such as is referred to in clause (a) of subsection (2) may attach such condition to the permission as may be specified in the resolution including conditions regarding the use, disposal, investment of the sale proceeds which may result from the transaction.

Provided that the said sub-section shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.

144. The Board of Directors shall exercise the following powers on behalf of the Company only by means of resolution passed at meetings of the Board.

Certain powers to be exercised by the Board only at meetings

- a) the power to make calls on shareholders in respect of money unpaid on their shares;
- b) the power to issue debentures
- e) the power to borrow moneys other than on debentures;
- d) the power to invest the funds of the Company; and
- e) the power to make loans.

Provided that subject to the provisions of Sections 292 (2), (3) and (4) of the Act, the Board of Directors may delegate to any Committee of Directors, the Managing Director. the Manager or any principal officer of the Company, the powers specified in clause (c), (d) and (e) of this Article.

Delegation of powers
by the Board of
Directors

145. The Board of Directors may delegate all or any of such powers, authorities and discretions to the Managing Director or of other Officer/s of the Company on such terms and conditions as they think fit.

MANAGING OR WHOLE-TIME DIRECTOR

Appointment of Ma-
naging or wholetime
Director

146. a) Subject to the provisions of the Act and subject to the sanction of the Government of India, the Company in general meeting or the Board may, appoint one or more of their body as Managing, Technical, Executive or whole time Directors for such period and on such terms and conditions as may be decided upon from time to time, and delegate any of the functions of Directors to the person or persons so appointed. A Director or Directors so appointed shall not unless otherwise stated, while holding that office be subject to retirement by rotation to be taken into account in determining the number of directors due to retire by rotation.
- b) Unless otherwise decided by the Board, the powers reserved under these Articles to the Board of Directors shall be deemed to have been delegated to the Managing Director, except those powers which have to be exercised only by the Board of Directors under section 292 of the Companies Act, 1956.
- c) Subject to the provisions 01 the Act, and subject to the sanction of the Company in General Meeting, the Company may remunerate the aforesaid Managing, Technical, Executive or whole time Directors with such amounts and on such terms as the Company may deem fit. The remuneration is in addition to the sitting fees that may be paid to them for attending the meetings of the Board and travelling and out of pocket expenses incurred by them in connection with the business of Company.
- d) Subject to the control and supervision of the Board of Directors, the business of the Company shall be carried on by Managing Director, Executive Directors and Technical Directors.
- e) The Directors, may, from time to time, resolve that there shall be either one or more Executive and/or Technical Directors, besides the Managing Director.
- f) If the Managing, Technical or Executive Directors cease to hold office as a Director, they shall IPSO FACTO and immediately cease to hold such offices.

- g) In the event of vacancy arising in the office of the Managing Director, the vacancy shall be filled by the Board of Directors and the Managing Director so appointed shall hold office for such period as the Board of Directors may fix, subject to the approval of the Central Government on such terms and conditions as may be approved.
147. The Management of (he day to day affairs of the Company shall vest with the Managing Director who shall discharge his duties under the general superintendence and control of the Board of Directors and shall be subject to any directions and restrictions given or imposed by the Board of Directions from time to time. He shall be the chief Executive of the Company and all other full time Directors, if any and Executives and functionaries of the Company shall be subordinates, to him and shall report to him.

SECRETARY

148. Subject to the provisions of the Act, a Secretary shall be appointed for the Company by the Board of Directors for such time, at such remuneration and upon such conditions as it thinks fit and the Secretary so appointed may be *removed* by the Board.
149. Subject to the provisions of Section 383A a Director may be appointed as Secretary.

Board may appoint
Secretary

DIVIDEND

150. The Company in Annual General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
151. i) The Board of Directors may from to time pay to the Members such interim dividends as appear to it to be justified by the profits of the company.
- ii) Dividends shall be paid by the Company in respect of any shares there in to the registered holder of such shares or to his order or to his bankers or to the bearer of a share warrant (if issued) or to his banker.
- iii) A transfer of share shall not pass the right to any dividend declared thereon before the registration of the transfer.

Declaration of dividend

Interim dividend

Dividends to the
Registered Members

Payment	152.	Warrant in respect of a dividend shall be posted or the payment shall be made to the persons entitled to the payment of the dividend within forty two days from the date of declaration of dividend unless it becomes impossible for any of reasons given under the proviso to Section 207 of the Act.
Setting aside sum as reserves	153.	The Board may, subject to Section 205 of the Act, before recommending any dividend, 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 provision for meeting the contingencies or for equalising dividends; and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investment (other than shares of the Company) as the Board may, from time to time think fit.
Carrying forward of profits	154.	<ol style="list-style-type: none"> 1. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as a reserve. 2. The declaration of the Directors as to the amount of net profits of the Company shall be conclusive. 3. Subject to the rights of persons, if any entitled to shares with special rights as to 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. 4. No amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of this Article as paid on the share. 5. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
Dividend in proportion to the amount paid on shares		
Debts may be deducted	155.	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
	156.	The Company may at General Meeting, in declaring dividend, make a call on the members of so much of amount as is equal to the dividend payable to the members and set off the same against the dividend payable by the Company to them.

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| <p>i) The Company may at General Meeting, in declaring dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets, and the Board shall give effect to the Resolution of the Meeting.</p> <p>ii) Where any difficulty arises with regard to such distribution the Board may settle the same as it deems expedient and in particular may issue fractional certificate and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any members on the basis of the value so fixed in order to adjust rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Board.</p> | <p>Dividend in Specie</p> |
| <p>157. i) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders, to the registered address of one of the joint holders who is first named in the Register of Members or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>ii) Every cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> <p>iii) The Company shall not be responsible for the loss of any cheque, warrant or money order sent by post as aforesaid.</p> | <p>Remittance of dividend to members</p> |
| <p>158. Anyone of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such shares.</p> | <p>Receipts for payments</p> |
| <p>159. All dividends not claimed or remaining unpaid shall be regulated in accordance with the provisions of Section 205A and 205B of the Act.</p> | <p>Dividends not claimed</p> |
| <p>160. No dividend shall bear interest against the Company.</p> | <p>Dividend not to carry interest</p> |

PAYMENT OF INTEREST OUT OF CAPITAL

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| <p>161. Where any shares in a Company are issued for the purpose of raising money to defray the expenses of the construction of any work or building or the</p> | <p>Payment of interest out of capital</p> |
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provision of any plant which cannot be made profitable for a lengthy period, the Board may sanction on behalf of the Company

- a) Payment of interest on so much of that share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in sub-sections (3) to (7) of Section 208 of the Act, and
- b) Charge the sum so paid by way of interest, to capital as part of the cost of construction of the work or building or the provision of the plant.

CAPITALISATION OF PROFITS AND RESERVES

Capitalisation of
profits and reserves

162. 1. The Company in General Meeting, may upon the recommendation of the Board resolve;
- a) that it is desirable to capitalise 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 clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
2. The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (3) hereof 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, un-issued shares of the Company to be allotted and distributed, 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 reserve account may for purposes of this Article only be applied in the paying up of unissued shares to be issued to members of "the Company as fully paid bonus shares.

Application of
funds

163. 1. The Board shall give effect to the resolution of the Company in pursuance of the preceding Article.

Board to give effect
to Resolution

2. 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, if any, and
- b) generally do all acts and things required to give effect thereto.

3. The Board shall have full powers:

Powers of the Board

- 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 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 resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares.

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

Effect of agreement

ACCOUNTS

164. 1. The Board shall cause proper books of accounts with respect to the following to be kept at the Registered Office of the Company or at such other place as the Board considers necessary :-

Books of Accounts

- a) all sums of money received and expended by the Company and the matter in respect of which the receipt and expenditure take place :-

- b) all sales and purchases of goods by the Company; and the assets and liabilities of the Company.

- 2. The books of account shall be open to inspection by any Director during business hours.

Form and contents
of Balance Sheet
and Profit & Loss
Account

- 165. At every Annual General Meeting of the Company held pursuant to Articles 70 the Board of Directors shall lay before the Company a Balance Sheet as at the end of the period specified in Section 210 of the Act and a Profit & Loss Account for the period.

The Balance Sheet shall be in the form set out in Part I of Schedule VI or as near thereto as circumstances admit; and the Profit & Loss Account shall comply with the requirements of Part II of Schedule VI of the Act.

Documents to be
annexed to the
Balance Sheet

- 166. The documents, as required under Section 212 of the Act, in respect of subsidiary companies (if and when so required) shall be attached to the Balance Sheet of the Company.

The Profit & Loss Account shall be annexed to the Balance Sheet and the Auditor's Report shall be attached thereto.

The Board's Report in regard to the matters specified under Section 217 of the Act shall be attached to the Balance Sheet laid before the Company in Annual General Meeting.

Authentication of
Balance Sheet
and Profit & Loss
Account

- 167. Every Balance Sheet and Profit & Loss Account shall be signed on behalf of the Board (after due approval by the Board) by the Secretary, if any, and by not less than two Directors, one of whom shall be a Managing Director, if there is one.

When only one of the Directors of the Company is for the time being in India, the Balance Sheet and the Profit and Loss Account shall be signed by such Director and shall be attached thereto a statement explaining the reason for non compliance with the provision aforesaid.

Three copies of
Balance Sheet and
Profit & Loss
Account to be filed
with the Registrar

- 168. Subject to the provision of Section 220 of the Act. three copies of the Balance Sheet and Profit & Loss Account shall be filed with the Registrar of Companies.

- 169. 1. The Board shall, from time to time, determine whether and to what extent and at what times and places and under what

conditions or regulations the accounts and books of the Company, or any of them shall be open to the inspection of members not being Directors.

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

NOTICE

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| 170. | 1. | A notice or document may be served by the Company on any members thereof 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. | Service of notice or document on members |
| | 2. | Where a notice or document is sent by post :- | |
| | a) | Service thereof shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the document provided that 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 post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the notice or document shall not be deemed to be effected unless it is sent to in the manner intimated by the member, and | |
| | b) | such service shall be deemed to have been effected: | |
| | c) | in the case of notice of a meeting at the expiration of forty eight hours after the letter containing the same is posted, and | |
| | d) | in any other case, at the time at which the letter would be delivered in the ordinary course of post. | |
| | 3. | A notice or document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on the day on which the advertisement appears on every member of the Company who has no registered address within India for the giving of notices to him. | Notice by advertisement |
| | 4. | A notice or document may be served by the Company on the joint holders of a share by serving it on the joint holder named first in the register in respect of the share" | Service on joint holders |
| | 5. | A notice of document may be served by the Company on the persons entitled to a share in consequence of the death or | Service on deceased or insolvent member |

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

6. The signature to any notice of the Company may be written or printed.

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| 171. All notices of and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditors 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. | Notice to Auditors |
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A U D I T

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| 172. The appointment of Auditors and fixation of their remuneration shall be regulated in accordance with the provisions of the Act applicable to the Company from time to time. | Appointment and remuneration of Auditors |
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I N D E M N I T Y

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| 173. Every Officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether Civil or Criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 633 in which relief is granted to him by Court. | Indemnity |
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S E C R E C Y

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| 174. Every Director, Manager, Auditor, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals and matters relating thereto and shall not reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Directors or by a meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained. | Secrecy |
| 175. No member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may | Members not entitled to information |

be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the ,business of the Company and which in the opinion of the Directors, it will be inexpedient in the interest of ;the members of the Company to communicate.

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| <p>176. No member not being a Director, Auditor, Secretary or other Officer of the Company and authorised in that behalf by the Directors shall, under any circumstances be entitled to inspect the works or any place of business of the Company or any of the books or paper of the Company without the authority in writing of the Directors, unless authorised so to do by the resolution of a General Meeting.</p> | <p>Restriction of business premises and books</p> |
| <p>177. Any Director or Officer of the Company will be entitled, if he thinks fit, to decline to answer any question concerning the business of the Company which may be put to him on any occasion (including any meeting of the Company) on the ground that the answer to such questions would disclose or tend to disclose the trade Secrets of the Company.</p> | <p>Officers not bound to answer question disclosing trade secrets</p> |

WINDING UP

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| <p>178. i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide among the members in specie or kind, the whole or any part of the assets of the Company whether they shall consist of property of the same kind or not.</p> | <p>Winding up</p> |
| <p>ii) For the purpose of aforesaid the liquidator may set such value as he deems fair upon any property to be dividend as aforesaid and may determine how such divisions shall be carried out as between the members or different classes of members.</p> | |
| <p>iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories or the liquidator, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p> | |

S1. No w)	Name, address, description & occupation of subscribers,	Signature of Subscribers	Signature, name, address, description and occupation of witness
1.	Andhra Pradesh Industrial Development Corporation Limited (through Dr. Ram K. Vepa, IAS, Managing Director) "Parishrama Bhavanam", 5-9-58/B, Fateh Maidan Road, P. B. No.1 049, Hyderabad-500 029. A P.		
2.	Dr. Ram K. Vepa, S/o Late Dr. Vepa V. Narasimham, Managing Director, A. P. Industrial Development Corporation Ltd, Hyderabad-500 029, A. P.		
3.	Sri M.V. Bhat, S/o Late Sri M. Narasimha Murthy, Project Manager, A. P. Industrial Development Corporation Limited, Hyderabad-500 029. A. P.		
4.	Sri A. V. Kishore. S/o Late Sri A. Laxminarayan, Project Manager. AP. Industrial Development Corporation Limited, Hyderabad-500 029. AP.		
5.	Sri D. S. Dutt, S/o Sri D. Hanumantha Rao, Manager (Monitoring), A. P. Industrial Development Corporation Limited, Hyderabad-500 029. A. P.		
6.	Sri V.S.N. Murthy, S/o Sri V.V.R. Murthy, Deputy Manager (Accounts), A.P. Industrial Development Corporation Limited, Hyderabad-500 029. A. P.		
7.	Sri M. V. Raghavacharya, S/o Sri M. V. Rangacharyulu, Deputy Manager (Monitoring), A. P. Industrial Development Corporation Limited, Hyderabad-500 029 A. P.		
8.	Dr. S. R. Nair, S/o Late Sri N. Sankara Pillai, Manager (Chemicals), A. P. Industrial Development Corporation Ltd., Hyderabad-500 029, A. P.		

G.S.S.Sastry,
Asst. Secretary,
A.P.Industrial Development Corporation Ltd.,
'Parishrama Bhavanam',
5-9-58/B, Fateh Maidan Road,
P.B.No.1049, Hyderabad-500 029, A.P.

Dated Sixth day of February 1978 at Hyderabad