

BEKAL RESORTS DEVELOPMENT CORPORATION LIMITED
TRIVANDRUM

**MEMORANDUM AND
ARTICLES OF ASSOCIATION**

Form I. R.



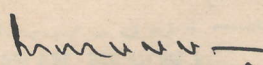
CERTIFICATE OF INCORPORATION

No 09 - 09189 of 19 95

I hereby certify that **BEKAL RESORTS DEVELOPMENT**
CORPORATION 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 KOCHI.....
this **the 3rd** day of **July,**
one thousand nine hundred and ninety **five.**
the 12th day of Asadha, 1917 (Saka)


(V.A. VIJAYAN MENON)
Registrar of Companies,
KERALA



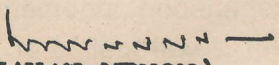
CERTIFICATE FOR COMMENCEMENT OF BUSINESS

Pursuant to Section 149 (3) of the Companies Act, 1956

I hereby certify that the **BEKAL RESORTS DEVELOPMENT**
CORPORATION LIMITED

which was incorporated under the Companies Act, 1956, on the
.....**3rd**.....day of.....**July**.....19**95**
and which has this day filed a duly verified declaration in the
prescribed form that the conditions of Section 149 (1) (a) to
(d) / 149 (2) (a) to (c) of the said Act, have been complied with,
is entitled to commence business.

Given under my hand at Cochin.....
this.....**the 10th**.....day of.....**August**.....One thousand nine
hundred and.....**ninety five**.....


(**V.A.VIJAYAN MENON**)
Registrar of Companies
KERALA

MEMORANDUM OF ASSOCIATION
OF
BEKAL RESORTS DEVELOPMENT CORPORATION LIMITED

- I. The name of the Company is
"BEKAL RESORTS DEVELOPMENT CORPORATION LIMITED"
- II. The Registered Office of the Company will be situated in the State of Kerala.
- 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 carry on the business of planning, development, implementation and management of infrastructure facilities at Bekal for the promotion of Tourism in all its aspects, including acquisition of land and properties, building of roads, bridges, airports, sea ports and other structures, construction of Hotels, Motels, Tourist and leisure facilities, Cinemas, Theaters, transportation and communication facilities, to enter into collaboration with other agencies both in India and abroad for the purpose of setting up, establishing facilities for the promotion of Tourism, infrastructure facilities, development of Township, to act as Property Developers, contractors, and engineers, nodal agency for development schemes in the development area, to collect taxes, fees and such other revenue from users of facilities, to take up the activities of generation and distribution of power, setting up of power generating stations, development of alternate energy sources.
- 2 To own, set up, run, and manage or lease Hotels, Restaurants, Parlors, Casinos, Tourist Lodges, Golf Courses, Water ways and Boat clubs, Sports and recreation centres, Swimming pools, Health Clubs, Gardens, Farms and Parks, amusement and theme parks, Common facility centres like Water supply, Sanitation, Electricity supply, Effluent treatment.

- 3 To give advice and/or give, take, circulate and/or otherwise organise, accept or implement any take over bids, mergers, amalgamation, acquisitions, diversification, rehabilitation or restructuring of any business concern, undertaking, Company, body corporate, partnership firm or any other association of persons whether incorporated or not, by acquisition of shares or assets and liabilities, and whether as a going concern or as a part of the concern, or otherwise as may be required having regard to business exigencies and to promote or procure incorporation, formation or setting up of concerns and undertakings whether as Company, body corporate, partnership or any other association of persons for engaging in any industrial, commercial or business activities.
- 4 To identify projects, project ideas, to prepare project profiles, project reports, market research, feasibility studies and reports preinvestment studies and investigation of industries on micro and macro level, to undertake appropriate service to identify scope of potential for tourism, economic and industrial development in any particular geographical area or location whether in India or abroad, to act as an adviser in the management of undertakings, business enterprises, offices, trade, occupations and professions by introducing modern methods and techniques and systems and render all assistance as may be necessary including by acting as agents for recruitment of personnel, technical, skilled, unskilled, supervisory, managerial or otherwise, and to act as an adviser in the selection of technical process, sources or plant and machinery and other utilities for business entrepreneurs.

B OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS ARE:

- 1 To enter into agreement, contract for undertaking or otherwise arranging for receiving, mailing or forwarding any circular, notices, reports, brochures, materials, articles and things belonging to any Company, Corporation, firm, institution or persons by means of delivery by hand or otherwise.
- 2 To receive money in any form, borrow or raise on such terms and conditions as the Company may consider expedient and secure and discharge any debt or obligation or binding on the Company in such manner as may be thought fit, and in particularly by the mortgage of the undertaking and all or any of the immovable and movable property (present or future) and the uncalled capital of the Company, or by the creation and issue on such terms as may be thought expedient, of shares, bonds, debentures or debenture stock perpetual or otherwise, or other securities of any description, subject to the provisions, the Companies Act 1956.
- 3 To employ experts with or without payment to investigate and examine into conditions, prospectus, value, character and circumstances of any business, concern, undertaking person or persons and generally of any assets, property or rights.

- 4 To purchase, take on lease or license or in exchange, hire or otherwise acquire any immovable or movable property, patents, licenses, rights or privileges which the Company may think necessary or convenient for business of the Company and to develop and turn to account and deal with the same and in particular any land, tenements, buildings and basements in such manner as may be thought expedient and to construct maintain and alter any immovable or movable property or works necessary or convenient for the purpose of the Company and to pay for the same either in cash or securities or otherwise and to sell, let, lease or under lease or otherwise dispose off or grant right over any movable or immovable property belonging to the Company, if not immediately required for the business of the Company.
- 5 To purchase, or otherwise acquire, erect, maintain or reconstruct any buildings, offices, hotels, motels, restaurants, coffeehouse, common service facilities, workshops, mills, plant equipment and other things found necessary or convenient for the purpose of the Company.
- 6 To manage land, buildings and other property both movable and immovable belonging to the Company and to collect rents and income and to supply to tenants, users and occupiers, attendants, servants, rooms, facilities, amenities and other convenience and other services as may be necessary.
- 7 To create any depreciation fund, reserve fund, sinking fund, insurance fund or any special or other fund, whether for depreciation or for repairing or rehabilitating, improving, extending or maintaining any of the property of the Company, or for redemption of debentures or redeemable preference shares, or for any other purpose whatsoever conducive to the interest of the Company.
- 8 To develop and turn into account any land acquired by the Company or in which it is interested and in particular by laying on and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, fitting and improving buildings and by planting, paving, draining, framing, cultivating and letting building on lease and by advancing money to and entering into contracts and arrangements with and of all kinds of builders and others for attaining the main objects of the Company.
- 9 To apply for, promote and obtain any order, directive, instructions, regulations, ordinance or other authorisation or enactment of the Central or any State Government or any other authority for enabling the Company to put any of its objects to effect, or for effecting any modification or change in any of the Company's business or constitution and to oppose any bills, proceedings or applications which may seem to prejudice the Company's business or interest.
- 10 To invest the surplus funds of the Company from time to time in deposits, units, Government Securities or in other securities including shares, bonds and debentures as may from time to time be determined by the directors, and from time to time sell or vary such investments and to execute all as-

signments, transfers, receipts and documents that may be necessary in that behalf.

- 11 To acquire, purchase, takeover and/or amalgamate business of companies which under existing circumstances, from time to time, may conveniently or advantageously be combined with the business of the Company to amalgamate or merge with the companies whose business are so acquired, purchased or taken over and/or to enter into agreement with the object of acquisition of such undertakings and/or business.
- 12 To procure the registration, incorporation or recognition of the Company under laws or regulations of any other country.
- 13 To enter into any arrangements with any Government or Government Departments or other authorities or authorise such acts that may seem conducive to the attainment of the Company's main objects, and to obtain from any such Government or Government Departments or authorities any rights, privileges, licenses and concessions necessary or desirable to obtain and to carry out, exercise, use or comply with any such arrangements, rights, privileges or concessions.
- 14 To form, promote, subsidise, organise and assist or aid in forming, promoting, subsidising, organising or assisting companies, having similar objects or partnerships of all kinds for the purpose of accepting and undertaking any properties, assets and liabilities of this Company.
- 15 To place, to reserve, or to distribute as bonus shares among the members of the Company or otherwise to apply, any moneys received by way of premium on shares, or debentures issued by the Company and any moneys received in respect of forfeited shares and moneys arising from the sale by the Company of forfeited shares.
- 16 To distribute any of the Company's property among the members subject to the provisions of the Companies Act in the event of winding up.
- 17 To provide for and furnish or secure to any members or customers of the Company or to any subscribers to or purchasers or possessors of any publications of the Company or of any coupons of tickets, issued with any publications of the Company any conveniences, advantages, benefits, or special privileges which may seem expedient or necessary either gratuitously or otherwise.
- 18 To sell, improve, manage, develop, exchange, lease, give on license, mortgage, dispose off, or transfer business property and undertakings of the Company, or any part thereof without or with any consideration which the Company may deem fit to accept to attain the main objects of the Company.
- 19 To provide for the welfare of Directors or employees or ex-employees of the Company and their wives or husbands, widows or widowers and families or the dependents of such persons by grant of money, pension, allowances, bonus or other payments or by creating from time to time or subscribing or contributing to provident funds, associations, institutions, trusts and by provid-

- ing or subscribing towards medical or other attendance, and other assistance as the Company shall think fit and to subscribe to or to contribute to or otherwise assist charitable, benevolent, national and/or other institution or objects for their welfare.
- 20 To pay for any property or rights acquired by the Company either in cash or fully or partly paid up shares or by the issue of securities of partly in one mode and partly in another and generally on such terms as may be determined by the Directors.
 - 21 To pay all preliminary expenses of any Company promoted by the Company or any Company in which the Company is or may contemplate being interested, including in such preliminary expenses all or any part of the cost and expenses of owners of any business or property acquired by the Company.
 - 22 To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the promotion, formation and registration of the Company or the issue of its capital, including brokerage and commission for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.
 - 23 To establish branches, offices or agencies anywhere in India or outside India for the purpose of enabling the Company to carry on its business and discontinue, if necessary at any time and reconstitute any such branches, offices or agencies.
 - 24 To establish competitions in respect of contribution or information suitable for insertion in any publication of the Company or otherwise for any of the purposes of the Company and to offer and grant prizes, rewards and premiums of such character and on such terms as may be expedient.
 - 25 To refer to or agree to refer any claims, demands, dispute or any other question by or against the Company or in which the Company is interested or concerned, and whether between the Company and the member or members of the Company and/or his representatives, or between the Company and third parties, to arbitration and to observe and perform and do all acts, matters and things to carry out or enforce the awards.
 - 26 To organise information cell and Data Bank relating to Tourism, Cultural, industrial, agricultural, financial and other economic activities and to provide information for the development of industries to entrepreneurs.
 - 27 To apply for and become member of any company, association, body corporate or societies, professional bodies, mercantile and public bodies in India and abroad, having any objects similar to or identical with those of the Company or likely to directly promote the interest of the Company.
 - 28 For sharing profits or to co-operate with any person, firm or company or to amalgamate with any person, firm or Company carrying on similar business.
 - 29 To form, promote, subsidise, organise, assist, maintain and conduct/aid in forming, promoting, subsidising, organising, assisting, maintaining research

- laboratories, experimental workshops or conducting studies, research, test and experiments on scientific, technical, economic, commercial or any other subject and undertake all types of technical, and financial investigations, and aid or assist or enter into partnership with any institution, university, Company, partnership firm, person or persons, undertaking or conducting such research, study and provide subsidise, endow, assist the laboratories, workshop, libraries, arranging lectures and conferences thereby providing for the remuneration of professors or teachers on any subject and also by providing for the award, exhibitions, scholarships, prizes and grants to students and/or otherwise generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered to assist any of the business of the Company.
- 30 To act as agents of sellers, manufacturers, lessees or any other person, incidental to the leasing or other objects of business and to enter into any contracts incidental/ancillary thereto.
- 31 To acquire by purchase, lease or otherwise any premises for the construction and/or establishment of a safe deposit vault or vaults and to maintain therein fire proof and burglar proof strong rooms, safes and other receptacles for purpose of rendering safe custody services.
- 32 To set up training facilities in Tourism related Management and other subjects either on its own or jointly with any other agencies in India or abroad.
- 33 To act as agents for the Government, Local Authority, Insurance Companies, Company, firm, trust, society, banks or any other person or persons.
- 34 To act as buying or selling agents or other types of agents and brokers of any company, body corporate, association, firm or person and perform all and the several duties, services and offices which the agents and brokers can do and perform and to enter into any agreement or agreements for any of the purposes aforesaid.
- 35 To indemnify and keep indemnified members, officers, directors, agents and employees of the Company against proceedings, costs, damages, claims and demands in respect of anything done or ordered to be done by them for and in the interest of the Company and for any loss, damage, or misfortune whatever and which shall happen in execution of the duties of their office or in relation thereto.
- 36 To set up a technical and managerial skills bank to facilitate pooling of resources and skills of technicians, technologists, scientists, managers, consultants and other experts and make their services available to users.
- 37 To carry on activities of holding any chapters or sponsoring any Acts of legislation and/or to acquire any privileges, monopolies, licenses, patents or other rights, powers from any Government or Parliament or from any Local or any other Authority in India or elsewhere and to exercise any powers, rights or privileges so obtained and in the matters and for the purposes aforesaid to act solely or jointly with any other person, corporation or body and to apply

for registration and act as accredited investment advisors for any Mutual Funds, Unit Trusts etc. with any Regulatory Authorities in India or elsewhere.

- 38 To apply for, purchase or otherwise acquire, protect and renew in India or elsewhere patents, licenses, concessions, patent rights, trade marks, designs, conferring any exclusive or non exclusive or limited rights to their use of any secret or other information regarding any invention, research which may seem capable of being used for any purpose of the Company and to use, develop or grant license in respect thereof or otherwise turn to account the rights or information so required and expend money in proving any such pattern, rights or inventions.

C OTHER OBJECTS FOR WHICH THE COMPANY IS INCORPORATED ARE:

- 1 To provide information and guidance on governmental policies and regulations and to assist in obtaining various consents, approvals, from Government or other authorities or agencies which may be required for establishing and undertaking or in its diversification/expansion.
- 2 To own and operate transport vehicles and vessels for transporting all raw materials, finished products and other goods and things required, dealt in by the company.
- 3 To expend money on any programme of rural development including any programme for promoting the social and economic welfare of or the uplift of the public, in any rural area and also to make payments of any sum to an association or institution to be used for carrying on any programme of rural development.
- 4 To carry on the business of owners, lessees, keepers, lessors and/or conductors of Motels, Hotels, Restaurants, Cafes, Taverns, Beer Houses, Refreshment and Tea rooms, Lodging Houses, caravan sites, House keepers, purveyors, caterers, Licensed victualers and such other amenities attached to the Hotels like clubs, Bars, Bathing ghats, Swimming Pools, Boat Clubs, Dressing Rooms, Laundries, Reading rooms, Writing rooms, Newspaper rooms, Libraries, Playgrounds, Health clubs, Beauty Parlours, Perfumeries, Places of amusements, recreation, Sports, entertainment and/or guest houses, cottage rest rooms, Holiday homes, tourist bungalows, shopping centres, office premises, conference rooms, Theaters, Dance halls, Milk and snack bars, dairies, Farms, Garden and Orchards.
- 5 To carry on the business of producing, processing, purchasing, selling, exporting, importing and dealing in food products, condiments, sweet meats, spices, confectioneries, dairy products ice creams, fruits, nuts, vegetables, soft drinks and beverages.
- 6 To carry on the business as producers, purchasers, sellers, exporters, importers and dealers of glass wares, crockeries, porcelain wares, clay products and cutleries.

- 7 To carry on the business of designing, producing, purchasing, selling, exporting and dealing in furniture, interior and exterior decorations, carpets, Linoleum and other furnishings.
- 8 To carry on the business of establishing, running, managing, taking on lease or letting on hire hospitals, nursing homes, clinics, dispensaries, medical shops, laboratories and pharmacies.
- 9 To carry on the business of general merchants agents, exporters, importers, distributors, suppliers, representatives and dealers in electrical and electronic goods and consumer goods.
- 10 To carry on the business of establishing distilleries and breweries and to produce, process, export, purchase, import, sell and deal in Indian made foreign liquors, alcohol, spirit, aerated mineral and artificial waters.
- 11 To carry on the business of purchasing, taking on lease, or otherwise acquiring lands and house sites and to sell, distribute, it on hire or otherwise dispose of the same with or without buildings, constructed thereon.
- 12 To carry on the business of establishing, taking on lease, letting on hire and/ of Managing ice plants and cold storage and to produce, purchase, sell and deal in ice and allied products.
- 13 To carry on the business of floriculture, tissue culture and florists.
- 14 To carry on the business of Chartering of Aircrafts, seagoing vessel and such other means of transport for the development of Tourism.
- 15 To study and advise Government in formulating incentive schemes to attract Tourism related industries, investments etc.
- 16 To advise State Government or any other body or person for setting up of infrastructure development schemes in the field of Tourism, Hotels, Tourist facilities etc.
- 17 To carry on and undertake the business of leasing, in all its forms including sub leasing, syndication leasing and underwriting leasing, both Indian and foreign including import leasing and to give on lease for on leave and license basis, hire purchase, deferred sale, installment sale, or in any other manner all types of buildings, equipments, property and assets including all kinds of goods, articles, or things including vehicles, ships, trawlers, vessels, aircraft, aeroplanes, flying machines, office equipments, computers, satellites, generators, catering equipments, medical equipments and any other capital equipment whether movable or immovable.
- 18 To buy, acquire, sell, dispose off, exchange, convert, underwrite, subscribe, participate, invest in and hold whether on its own account or on behalf of any person, body corporate, company, society, firm or association of persons whether incorporated or not, shares, stocks, debentures, debenture stocks, units, bonds, warrants, participation certificates or participation units, other money market or capital market instruments, obligations and securities issued or guaranteed by any Government, State, Dominion, Sovereign

Body, Commission, Public Body or Authority, Supreme, Local or Municipal or Company or Body, whether incorporated or not or by any person or association.

- 19 To acquire, shares, stocks, debentures, debenture-stocks, units, bonds, warrants, participation certificates or participation units, other money market or capital market instruments, obligations and securities by original subscription, participation in syndicates, tender, purchase, exchange or otherwise and to subscribe or acquire the same either conditionally or otherwise, and to guarantee the subscription thereof for a commission or otherwise and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

IV. The liability of the members is limited.

- V. The authorised Share Capital of the Company is Rs.5,00,00,000 (Rupees Five crores) divided into 50,00,000 (Rupees Fifty lakhs) equity shares of Rs.10/- (Rupees Ten only) each. The Company has power from time to time to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach there on respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privileges or conditions in such manner as may for the time being permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in this behalf.

7 (Seven)

WITNESS TO ALL

Biju.T.B.
Chartered Accountant
Mohan and Mohan Associates
XXXIX/3263, Radha Bhavan,
Ravipuram, Cochin - 682 016

DATED THIS 20th day of June 1992.

Sl No.	Name, Address and Description and Occupation of the Subscriber	No. of Share agreed to be taken	Signatures
1	R.Ramachandran Nair, IAS Chief Secretary to Govt. of Kerala	One	Sd/-
2	K.Jayakumar, IAS Secretary to Govt. of Kerala Tourism Culture and Information	One	Sd/-
3	Nalini Netto, IAS Director, Tourism, Govt. of Kerala	One	Sd/-
4	Ashish Kumar Singh, IAS Managing Director, Kerala Tourism Development Corporation Ltd., Mascot Square, Trivandrum	One	Sd/-
5	M.Harshan Secretary, Kerala Tourism Development Corporation Ltd., Mascot Square, Trivandrum.	One	Sd/-
6	Alkesh Kumar Sharma, IAS Addl. Director, Department of Tourism, Govt. of Kerala	One	Sd/-
7	R.Purushothaman Addl. Director, Department of Tourism Govt. of Kerala	One	Sd/-
7 (Seven)			

WITNESS TO ALL

Biju.T.B.
Chartered Accountant
Mohan and Mohan Associates
XXXIX\3263, Radha Bhavan,
Ravipuram, Cochin - 682 016

DATED THIS 20th day of June 1995.

**THE COMPANIES ACT 1956
COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION
OF
BEKAL RESORTS DEVELOPMENT CORPORATION LIMITED**

TABLE A EXCLUDED

- Table A not to apply* 1. The regulations contained in Table A, Schedule 1, to the Companies Act, 1956, save as reproduced herein, shall not apply to this company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the Company's power to modify, alter or add to its regulations be such as are contained in these Articles.

INTERPRETATION

- Interpretation clause* 2. In the interpretation of these Articles, the following words and expressions shall have the following meaning assigned thereunder, unless repugnant to the subject or context thereof:-

*The Company or
This Company* "The Company" or "This Company" means Bekal Resorts Development Corporation Limited. The Company will be entitled to use as part of its name Bekal Resorts Development or Bekal Development only so long as the Bekal Development Authority or any other Company specifically authorised by Bekal Development Authority or the Government of Kerala or Government of India or its nominees holds at least 26% of the paid up Equity Capital of the Company.

The Act or the said Act

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

Articles

"Articles" means these articles of association as from time to time altered by special resolution.

*The Board or
The Directors*

"The Board" or "The Board of Directors" means the Board of Directors for the time being of the Company.

Month

"Month" means a calendar month.

Year

"Year" means the Calendar year and Financial year shall have the meaning assigned thereto by Section 2 (17) of the Act.

Office

"Office" means the Registered Office for the time being of the Company.

Persons

"Persons" include Central or State Governments, Corporations, Firms, Individuals, trusts, Societies, Associations and other bodies incorporated or not.

Seal

"Seal" means the Common Seal for the time being of the Company.

Special Resolution

"Special Resolution" shall have the meaning assigned thereto by Section 189 of the Act.

Gender

Words imparting the masculine gender also include the feminine gender.

Singular number

Words imparting the singular number include, where the context admits or requires, the plural number and vice versa.

Member

"Member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of the Company.

The Registrar

"The Registrar" means the Registrar of Companies of the State in which the office of the Company is for the time being situated.

*Expressions in the articles
to bear the same meaning
in the Act*

Unless the context otherwise requires, words or "expressions contained in these Articles shall bear the same meaning as in the Act".

Marginal notes

The marginal notes to the Articles have been inserted for convenience of reference and shall not affect the construction and interpretation of these articles.

CAPITAL

Capital

3. The Authorised Capital of the Company is Rs.5,00,00,000 (Rupees Five crores only) dividend into Rs.50,00,000 equity shares of Rs.10/- each. The Company shall have power to increase, consolidate, sub divide, reduce or otherwise alter its share capital, subject to the provisions of the Act.

SHARES AND CERTIFICATES

Shares to be

*numbered Progressively
and no share to be
subdivided*

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

Shares to be under control of Directors

5. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors think and Directors think fit and (subject to the provisions of section 78 and 79 of the Act) either at a premium or at par or at discount.

Acceptance of shares

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

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

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

Liability of members

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

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

Trust not recognised

8. Except in respect of shares held as nominee of The Government of Kerala or as required by law or ordered by a court of competent jurisdiction 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 benami, equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share (except only as by these regulations or by law otherwise provided) or any other rights in respect of any share, except in an absolute right to the entirety thereof in the registered holder.

Funds not to be applied in purchase of its own shares

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

Issue of share Certificates

10. (a) Every share certificate shall be issued under the Seal of the Company, which shall be affixed in presence of;
- (i) two Directors or a Director and a person acting on behalf of another Director under a duly registered power of attorney; or two persons acting as attorney for two Directors as aforesaid and
 - (ii) the Secretary or some other person appointed by the Board for the purpose.

Provided that, if the composition of the Board permit of it, at least one of the above said two Directors shall be a person other than Managing Director or whole time Director.

Manner of signature of Directors

- (b) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director, or anybody entrusted with the duty

to take care of the same shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

Endorsement on share certificates

(c) Every endorsement upon the Certificate of any share in favour of any transferee thereof shall be signed by the Director, Secretary or some other person for the time being authorised by the Directors in that behalf.

Limitation of time for issue of certificates

(d) The Company shall within three months after the allotment of any of its shares or debentures and within two months after the application for the registration of the transfer of any such shares or debentures, deliver the certificate of all shares and debentures allotted or transferred, unless the conditions of issue of shares or debentures otherwise provide.

Members right to

11. Every member shall be entitled get one certificate for every market lot and no fee shall be charged for the same. Unless the condition of issue of any shares otherwise provide, the company shall, either within 3 months after the date of allotment or on surrender to the Company of its letter of allotment or of its fractional coupons of requisite value (save in the case of issue against letters of acceptance or of renunciation or in case of bonus shares), or within two months of receipt of application for registration of the transfer, subdivision, consolidation or renewal of any of its shares, as the case may be, deliver the certificates of such shares. Every certificate of shares shall specify the name of the person in whose favour the certificate is issued the shares to which it relates and the amount paid up thereon. Particulars of every certificate issued shall be entered in the Register maintained in the form set out in the Act or in a form as near thereto as circumstances admit, against the name of person to whom it has been issued, indicating the dates of issue. In respect of any share held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.

Issue of new certificate

12. If any certificate of any share or shares be surrendered to the Company for sub division or consolidation or, if any, certificate defaced, torn or old, decrepit or worn out or where the cages in the reverse for recording

transfers have been duly utilised, then, upon surrender thereof to the Company, the Board may order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board, and on giving such indemnity as the Board thinks fit, being given a new certificate in lieu thereof shall given to the party entitled to the shares to which such lost or destroyed certificate shall relate. Where a new certificate has been issued in lieu of a share certificate which has been lost or destroyed or is a duplicate issued for the one so replaced the word "duplicate" shall be stamped or punched in bold letters across the face thereof. For every certificate issued under this Article including when issued on a subdivision or consolidation of share certificates into lots of the market unit or in replacement of those which are old, decrepit, worn out or where the cages on the reverse for recording transfers have been fully utilised, no fee would be charged by the Company.

Issue of shares for consideration other than

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

CALLS

Calls

14. The Directors may, from time to time, subject to the terms on which any shares may have been issued and to the provisions of Section 91 of the Act, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them. A call may be made payable by installments and may be revoked or postponed as the Directors may determine provided that option or right to call of share shall not be given to any person without the sanction of the Company in General Meeting.

Notice of calls

15. Not less than fourteen days notice shall be given in respect of any call and the notice shall specify the place and the time of payment, and the person to whom such sum shall be paid.

*Interest on call or
installment*

16. If the sum payable in respect of any call or in installment be 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 on the same at such rate as the Directors may determine from the day appointed for payment thereof to the time of payment. The Directors may waive payment of such interest wholly or in part.

*Action for
recovery of calls*

17. On the trial or hearing of any action or suit brought by the Company against any member or his representatives to recover any moneys due to the company in respect of his share, it shall be sufficient to show that the name of the member is or was, when the claim arose, in the Register as a holder or one of the several holders of share in respect of which such claim is made, that the amount claimed is not entered as paid in the books of the Company, that the resolution making the call is duly recorded in the Minutes Book, that the notice of such call was duly given to the member, and it shall not be necessary to prove the appointment of the Directors who make such call, not that a quorum was present at the Directors meeting at which any call was made, nor that the meeting of the Board in which any call was made was duly convened or constituted, nor any other matter whatsoever, but the proof of matters aforesaid shall be conclusive evidence of the debt.

*Payment of calls
in advance*

18. The Board of Directors may, if they think fit, receive from any member willing to advance the same, all or part of the money due upon the shares held by him beyond the sums actually called for and upon the monies so advanced, or so much thereof as from time to time exceeds the amount of the calls then made upon the share in respect of which such advance has been made, the Company may pay interest at such rate as the members paying such sum and the Board of Directors may agree upon. Money so paid in excess of the amount of call shall not rank for dividends or confer a right to participate in profits. The Board may at any time repay the sum so advanced upon giving to such member not less than three months written notice.

*When call deemed
to have been made*

19. Call shall be deemed to have been made at the time when the resolution of the Directors authorising such calls was passed.

Amounts payable on allotment etc.

20. (a) Any sum which by the terms of issue of shares becomes payable on allotment or at fixed dates whether on account of the nominal value of the shares or by way of premium, shall for the purpose of these regulations be deemed to be a call duly made and payable on the date on which by the terms of issue of such sum becomes payable.

(b) In case of non payment of such sums all the relevant provision of these regulations as to payment of interest, expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Payment of call installment

21. If any member or his legal representative, as the case may be, fails to pay any call or installments or any money due in respect of any shares either by way of interest or otherwise on or before the day appointed for the payment of the same or any extension thereof, the Directors may at any time, thereafter, during such time as the call, installment, interest or other money remains unpaid, serve a notice on such member or his legal representative as the case may be requiring him to pay the same together with any interest at such rate as may be decided by the Board that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

FORFEITURE AND LIEN

Contents of notice

22. The Notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place specified, the shares in respect of which the call is made or installment is payable shall be liable to be forfeited.

Forfeiture of shares

23. If any member or his legal representative fails to comply with any notice as above, any shares in respect of which such notice has been given may, at any time thereafter but before all calls, installments, interests, expenses or other moneys, due in respect thereof are paid, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

- Notice of forfeiture* 24. When any share shall have been so forfeited notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in Register of Members, but no forfeiture shall be in any manner invalid by any omission or neglect to give such notice or to make such entry as aforesaid.
- Forfeited shares to become property of the company* 25. Any share so forfeited shall be deemed to the property of the Company, and the Directors may sell, re-allot or otherwise dispose of the same in such manner as they think fit.
- Power to annul forfeiture* 26. The Directors may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they may think fit.
- Arrears to be paid not withstanding forfeiture* 27. Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay the Company all calls, installments, interest, expenses or other moneys owing upon or in respect of such shares on the date of forfeiture together with further interest thereon from the date of forfeiture until payment, at such rate as may be decided by the Board. And the Board may enforce the payment thereof or any carry thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so.
- Effect of forfeiture* 28. The forfeiture of a share shall involve the extinction of all interest in, and of all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such rights as may be by these Articles are expressly saved.
- Evidence of forfeiture* 29. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to such shares be affected by any irregu-

Company's lien on shares

30.

larity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

The Company shall have a first and paramount lien on 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 the sale thereof for all moneys (presently payable or payable at a fixed time) in respect of shares, 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 to be wholly or in part to be exempt from the provisions of this article.

Enforcing lien by sale

31.

For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell the shares shall have been served on such member, his heirs, executors or administrators, or his committee, or other legal representatives, as the case may be, and default shall have been made by him or them in the payment of the sum payable as aforesaid for fourteen days after such notice. The net proceeds of any such sale (after payment of the cost of such sale) shall be applied towards satisfaction of the amount in respect of which the lien exists and the residue, if any, shall be paid to the person entitled to the share at the date of the sale.

Validity of sale in exercise of lien etc.

32.

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

null and void and of no effect, and the Directors shall be entitled to issue a new certificate in lieu thereof to the purchaser.

JOINT HOLDERS

Joint holders

33. While two more persons are registered as holders of any shares, 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) Shares may be registered in the name of any person, company or other body corporate but not more than four persons shall be registered jointly as members in respect of any shares.

To which of joint holders certificates to be issued

(b) The certificates of shares registered in the names of two or more persons shall be delivered to the person first named on the Register.

First named joint holder deemed sole holder

(c) If any share stands in the names of two or more persons, the person first named in the Register shall as regards receipt of share certificates, dividends or bonus or service of notices and all or any other matter connected with the Company, (except voting at meetings and the transfer of the shares) be deemed to the sole holder thereof but joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share and for all incidents thereof according to the Company's regulations.

Death of one or more joint holders

(d) In the case of the death of anyone or more of the persons named in the register of the members as the joint holder of any share, the survivors shall be the only persons recognised by the company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability or share held by him jointly with any other person.

Votes of joint holders

(e) If there be joint registered holders of any shares, any one of such person may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto provided that if more than one such joint holders be present at any meeting of the said persons so present whose name stands higher on

the register of member shall alone be entitled to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present, at the meeting. Several executors or administrators of a deceased member in whose names shares stand shall for the purpose of these articles be deemed joint holders thereof.

Notice to joint holders

- (f) A document or notice may be served or given by the Company on or to the joint holder named first in the Register of Members in respect of the share.

TRANSFER AND TRANSMISSION OF SHARES

Register of transfers

34. The Company, shall keep a book called the "Register of Transfers" and therein shall be entered the particulars of every transfer or transmission of any share in the Company.

Execution of transfers

35. The instrument of transfer of any share shall be signed both by the transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect thereof.

Form of transfer

36. Transfer of shares shall be effected by an instrument as prescribed by Section 108 (1A) of the Companies Act, 1956.

Directors right to refuse transfer

37. Subject to the provisions of Securities Contracts (Regulation) Act, 1956 and Section 111 of the Act, the Board without assigning any reason may, within two months from the date on which the instrument for transfer was delivered to the Company refuse to register any transfer of or the transmission by the operation of law of the right to a share upon which the company has a lien and in case of a share not fully paid up the Board may refuse to register a transfer to a transferee of whom the Board does not approve. The Board may also likewise refuse to register a transfer when any attachment or prohibitory order of a competent authority restrains the Board from transferring the shares out name of the transferor or when a transferor objects to the transfer, provided he serves on the company within a reasonable time prohibitory order of a court of competent jurisdiction. The registration of a share however shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company on any account whatsoever.

- Minor* 38. No transfer shall be made to a minor or person of unsound mind or to a person who is disqualified from contracting by any law to which they are subject. The guardian of a minor may be accepted as a transferee.
- Transfer deeds* 39. Every instrument of transfer shall be delivered at the office of registration accompanied by the certificate of shares to be transferred or, if no such certificate is in existence, by the letter of allotment of the shares and such other evidence as the Board may require to prove the transfer, which shall, if registered be retained by the company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.
- Intimation of refusal of transfer* 40. If the Board refuses whether in pursuance of Articles or otherwise to register the transfer of or the transmission by operation of law of the right to any share, the company shall within 2 months from the date on which the instrument of transfer or the intimation of such transmission as the case may be was lodged with the company sent to the transferor or to the person giving intimation of such transmission as the case may be notice of refusal.
- Subdivision or consolidation of shares on court order* 41. Notwithstanding anything contained in these Articles the Board may in its absolute discretion refuse application for the sub-division or consolidation of the share, debenture or bond certificates in denominations of less than the marketable lot except when such sub-division or consolidation is required to comply with a statutory provision or an order of a competent court of law.
- Closure of transfer books* 42. The Board shall have power, on giving not less than 7 days previous notice by advertisement in some newspapers circulating at the place where the Registered Office is located, to close the Transfer Books, the Register of Members or the Register of Debenture-Holders at such time to times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year it may seem expedient.
- Title to shares of deceased member* 43. The executor or the administrator of a deceased member or the holder of other legal representation (not being one of the several joint holders) shall be the only person recognised by the Company as having any title to the share registered in the name of such member, and in case of the death of any one or

more of the joint holders of any registered share, the survivor shall be the only person recognised by the company as having any title to or interest in such share. Before recognising any executor or administrator or other person the Board may require him to obtain a Grant of Probate or Letters of Administration or other legal representation, as the case may be, from a competent Court in India and having effect in the place where the office of the company may situate. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or Letters of Administration of such other legal representation upon such terms as to indemnity or otherwise as the Board in its absolute discretion, may consider adequate.

Transmission Article

44. Subject to the provisions of these Articles any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board of Directors, (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or his title, as the holder of shares or elect to have some person nominated by him and approved by the Board of Directors, registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing to his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares. This Article is referred to in these Articles as the Transmission Article.
45. a) If the person so becoming entitled under the Transmission Article shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- b) If the person aforesaid shall elect to transfer the share he shall testify his election by executing an Instrument of Transfer of his share.
- c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer of

a share shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.

Transfer fees

46. No fee shall be charged by the company in respect of the transfer or transmission of company's shares.

Rights & Liabilities of legal representative

47. The company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made, or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered 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 regard to or give effect to any notice which may be given to them of equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred in some books of the company, but the company shall, nevertheless, be at liberty to regard and to attend to any such notice and give effect thereto if the Directors shall so think fit.

48. A person so becoming entitled under the Transmission Articles to a share by reason of operation of law or the death, lunacy, bankruptcy, insolvency of the holder shall subject to the relevant provisions of these Articles be entitled to the same dividends, and other advantages as he would be entitled to if he were the registered holder of the shares except that no such person (other than a person becoming entitled under the Transmission Article to a share by reason of the lunacy of the holder) shall before being registered as a member in respect of the share, be entitled to exercise in respect thereof any right conferred by membership in relation to the meetings of the Company.

Provided the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the shares and if the no-

tice is not complied with within 90 days, the Board may thereafter withhold payment of all dividends or other monies payable in respect of share, until the requirements of the notice has been complied with.

ALTERATION OF SHARE CAPITAL

- Power to increase capital* 49. The Company may, from time to time in General Meeting increase its share capital by creation of new shares of such amount as it thinks expedient (including cumulative convertible preference shares) in accordance with the company's regulations and the legislative provisions for the time being in force in that behalf.
- Reduction of capital* 50. Subject to the provisions of Sections 100 to 104 of the Act the company may, from time to time, by special resolution reduce its share capital in any way and with and subject to any incident authority and consent required by law.
- Sub-division and consolidation of shares* 51. The Company in General Meeting may alter the conditions of its Memorandum of Association from time to time for the following purposes:
- (a) To consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
 - (b) To sub-divide its existing shares or any of them into shares of smaller amount than is fixed by memorandum.
 - (c) To cancel any shares which at the date of the passing of resolution, have not been taken or agreed to be taken by any person and diminish the amount of share capital by the amount of shares so cancelled.
- Rights in respect of shares on sub-division* 52. Where any share capital is sub-divided, the Company in General Meeting, subject to the provisions of Sections 85, 87, 88 and 106 of the Act, may determine that, as between the holders of the Share resulting from sub-division, one or more of such shares shall have some preference or special right as regards dividend, repayment of capital, voting or otherwise.
- New shares to be offered to existing members* 53. When at any time subsequent to the first allotment of shares in the company it is proposed to increase the subscribed capital of the Company by issue of new shares, then, subject to any directions to the contrary which may be given by the company in general meet-

ing and subject to the provisions of the Company's Act, 1956, such new shares shall be offered to the persons who at the date of offer are holders of the equity shares of the company in proportion as nearly as circumstances admit to the capital paid up on those shares at that date, and such offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.

New capital same as original capital

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

(a) By a Special Resolution:

OR

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

55. Notwithstanding anything contained in subclause (a) above, but subject however to section 81 (3) of the Act, the company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the company to convert such debenture or loans into shares, or to subscribe for shares in the company.

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

**Commission for
placing shares**

57. (i) The Company may exercise the powers of paying commission conferred by Section 76 of the Act and in such case shall comply with the requirements of that Section. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.
- (ii) The Company shall be entitled to make bulk placement of shares, debentures or debenture stock to national and trans-national financial institutions on such terms and conditions in accordance with the statutory regulations applicable to such issues or placements.

MODIFICATION OF RIGHTS

Power to vary rights

58. Whenever the share capital, by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to any class may be modified, commuted, affected, abrogated or dealt with by the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or as sanctioned by a resolution passed at a separate meeting of the holders of shares of that class and supported by the votes of the holders of not less than three-fourths of the shares of that class, and all the provisions hereinafter contained as to General Meeting shall, *mutates mutandis*, apply to every such meeting.

BORROWING POWERS

Power to borrow

59. The Board of Directors may from time to time at their discretion, by a resolution passed at meeting of the Board, accept deposits from the members or public or others either in advance of calls or otherwise, and may generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company provided, however, that were the money to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers the ordinary course of business) 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, the Board shall not borrow such monies except with the consent of the Company in General Meeting.

Conditions for borrowing

60. The Directors may, by a resolution passed at a meeting of the Board, raise or secure the payment or repayment of any monies borrowed in such a manner borrowed in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, or debentures of the Company or any mortgage, charge or other security upon all or any part of the undertaking or property of the Company (both present and future) including its uncalled capital for the time being.

Issue of debentures at discount etc.

61. Any Debentures, debenture stocks, bonds or other securities of the Company may be issued at a discount, premium, or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Debentures, debenture stocks, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Debentures, Debenture stock, bonds or other securities with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting.

Maintenance of Register of charges

62. (a) (i) The Board shall cause a proper Register to be kept in accordance with the provisions of section 143 of the Act of all mortgages, bonds, debentures and other securities and charges specifically affecting the property of the company.

Complying with the provisions of the Act

- (ii) The Board shall also cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with, so far as they are required to be complied with, by the Board of Directors.

Index of Debenture holders

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

Place of keeping the Register and inspection

- (c) A copy of every instrument creating any mortgage or charge requiring registration under Section 125 of the Act shall be kept at the Registered Office of the Company, and shall be open

to inspection during business hours by the members and creditors of the company without fee. In the case of series of uniform debentures, a copy of only one debenture trust deed need be kept.

Registration of charge

- (d) Every debenture or certificate of debenture stock issued by the Company, the payment where of is secured by a mortgage or charge requiring registration under section 133 of the Act, shall be endorsed with a copy of Registrar's Certificate of Registration.

Creation of security for borrowing

- (e) For the purpose of securing payment of any such bonds, debentures or other securities as aforesaid or the payment with interest of any money so borrowed as aforesaid or payable under any contract or otherwise, the Directors may make and carry into effect any arrangement which they deem expedient by assigning or conveying any property of the Company (including its uncalled capital) to Trustees.

Debenture payable to be free from equities

- (f) Unless otherwise resolved by the Company in General Meeting, any debentures which may be issued under these Articles may be so framed that the principal monies and interest thereby secured shall be payable to bearer and free from any equities as between the Company and the persons to whom the same may be issued.

Transfer of Debentures

63. (a) Save as provided in Section 108 of the Act, no transfer of Debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company together with the certificate or certificates of debentures.

Notice of refusal

- (b) If the Board refuses to register the transfer of any debentures the Company shall within two months from the date on which the instrument of transfer was lodged with the Company send to the transferee and to the transferor notice of the refusal".

Mortgage of uncalled capital

64. a) If any uncalled capital of the Company is included in or charges by any mortgage or other security, the Board may, subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

Indemnity may be given

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

CONVERSION OF SHARE INTO STOCK ETC.

*Conversion of shares
into stock and
reconversion*

65. (a) The Company may, by ordinary resolution:-

- (i) Convert any paid-up shares into stock: and
- (ii) Reconvert any stock into paid up shares of any denomination.

(b) The holders of the stock may transfer the same or any part thereof, but only 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.

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

(d) Such regulations of the Company as are applicable to paid up shares shall apply to stock and the words 'shares' and 'shareholders' therein shall include 'stock' and 'stock holders'.

GENERAL MEETING

Annual General Meeting

66. In addition to any other meeting, the Company shall hold a General Meeting as its Annual General Meeting at the intervals specified in section 166(1) of the Act. Subject to the provisions of Section 166 (2) of the Act, such Annual General Meeting shall be held at such time and place as may be determined by the Board.

Directors power to call Extra Ordinary General Meeting

67. The Directors may, whenever they think fit convene a General Meeting and they shall, on the requisition of the holders of shares representing not less than one tenth of the issued share capital of the Company upon which all calls or other sums then due have been paid, convene a general meeting in accordance with Section 169 of the Act. In the case of such requisition the following provision shall have effect.

Extraordinary general meeting on requisition of members

- (a) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Registered Office and may consist of several documents in like form each signed as office and may consist of several documents in like form each signed by one or more of the requisitionists.
- (b) If the Directors do not, within 21 days of the date of the requisition being so deposited, proceed to call a meeting on a day not later than 45 days from the date of deposited of requisition, the requisitionists or a majority of them as regard to the paid up capital may themselves convene the meeting, but in either case any meeting so convened shall not be held after three months from the date of such requisition.
- (c) In case of a meeting at which a resolution is to be proposed as a Special resolution the Directors shall deemed not to have duly convened the meeting if they do not give such notice as required by sub-section (2) of section 189 of the Companies Act.
- (d) Any meeting convened under this clause 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 Directors.
- (e) Any reasonable expense incurred the requisitionists by reason of the failure of the Di-

rectors duly to convene a meeting shall be repaid to the requisitionists by the Company and any sum so paid shall be retained by the Company out of any sum due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

Notice of Meeting

68. Except as provided in Section 171 (2) of the Act, not less than twenty one days notice shall be given of every General Meeting of the Company. Notice of every General Meeting shall be given to every member, to any person entitled to a share in consequence of the death or insolvency of a member, and to the auditors for the time being of the Company, in the manner hereinafter provided for the giving of notices. The accidental omission or the non-receipt of any notice by any member or other person entitled to receive the same shall not invalidate the proceedings of the meeting.

Contents of Notice

69. Every notice of a General Meeting shall specify the place, date and time of the meeting and shall contain a statement of the business to be transacted thereat. Where any business to be transacted at the meeting consists of "Special Business" as hereinafter defined, there shall be annexed to the notice of the meeting an explanatory statement setting out all material facts concerning such item of business as provided in section 173(2) and (3) of the Act.

Special Business

70. All business shall be deemed special that is transacted at an Extra-Ordinary General Meeting and also all business that is transacted at an Annual General Meeting, with the exception of business relating to the consideration of the accounts, balance sheet and the reports of the Board and the auditors, declaration of dividend, appointment of Directors in the place of those retiring and the appointment and fixing of the remuneration of the auditors.

Quorum

71. Five members present in person and entitled to vote shall be a quorum for all purpose at any General Meeting. No business shall be transacted at any General Meeting unless the quorum requisite shall be present at the commencement of the business.

Chairman of General Meeting

72. The Chairman of the Company shall be entitled to take the Chair at every Annual Meeting or, Extra Ordinary Meeting. If at any meeting the Chairman not be present, within thirty minutes after the time ap-

pointed for the meeting or is unwilling to act, then the Managing Director of the Company shall take the chair. If any of them is not present the members present shall select another Director as Chairman and if no Director be present or if all the Directors present decline to take Chair, then the members present shall elect one of their members to be the Chairman.

73. (a) No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.
- (b) If a poll is demanded on the election of Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles.

Meeting to be adjourned

74. If within half an hour from the time appointed for the meeting a quorum is not present the meeting, if convened upon the requisition of members, shall stand dissolved, but, in any other case, it shall stand adjourned to the same day in the next week, at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, those members present shall constitute a quorum and may transact the business for which the meeting was called.

Voting to be by show of hands in the first instance and motion how decided in case of equality of votes

75. At any General Meeting a resolution put to vote of the meeting shall unless a poll is demanded under Section 179 of the Act, be decided on a show of hands. In the case of an equality of votes, the Chairman shall both on a show of hands and at the poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.

What would be evidence of passing of a resolution when will not demanded

76. A declaration by the Chairman that on a show of hands a resolution has or has not been carried, or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

Demand for polls

77. Before or on the declaration of the result of voting on any Resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting of his own motion and shall be ordered to be taken by

the Chairman on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the persons who made the demand.

Poll

78. (a) If a poll be demanded on a question of adjournment or election of Chairman the poll shall be taken forthwith. A poll demanded on any other question shall be taken as such time not being later than 48 hours from the time when the demand was made, and in such a manner and at such place as the Chairman of the meeting may direct.
- (b) The demand of a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which a poll has been demanded.
- (c) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutiners, at least one of whom shall be a member (not being an officer or an employee of the Company) present at the meeting, provide that such a member is available and willing to be appointed to scrutinise the votes given on the poll and report to him thereon.

Right of a member to use votes differently

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

Power to adjourn General Meeting

80. The Chairman of a General Meeting may, with the consent of the General Meeting, adjourn the same, from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give any notice of an adjournment or of the business to be transacted at the adjourned meeting.

*Resolution passed
at adjourned meeting*

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

Voting rights

82. (a) Save as hereinafter provided on a show of hands every member entitled to vote and present in person or by an agent duly authorised under a power of attorney shall have one vote and on a poll every member entitled to vote and present in person or by an agent duly authorised under a power of attorney or by proxy shall have one vote for every share held by him.
- (b) Every member of the Company holding any preference share capital shall not be entitled to vote at General Meetings of the Company except as provided by Section 87(2) of the Act.
- (c) Where the Company accepts from any member all or any part of the money due in respect of the shares held by him beyond the sums actually called for, the member shall not be entitled to any voting rights in respect of the monies so paid by him.

*Representation of
member companies*

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

*Votes of members of
unsound mind*

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

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

85. Any person entitled to transfer any shares by virtue of Article 44 of these Articles may vote at a General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors or any person authorised by the Directors in that behalf, of his right to such shares and furnishes such indemnity as the Directors may require.

Vote by proxies

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

*Instrument
appointing proxy*

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

*Instrument to be
deposited at the
Registered Office*

88. The instrument appointing a proxy and the power of attorney or another authority under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office not less than forty eight hours before the time of holding the meeting at which the person named in the instrument proposes to vote, and, in default, the instrument of proxy shall not be treated as valid.

*Votes valid though
authority revoked*

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

Form of proxy

90. Every instrument appointing a proxy, whether for a specified meeting or otherwise shall be in either or the forms prescribed by schedule IX to the Act or in a form as near as circumstances will admit and shall be retained by the Company. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

Time and place to inspect the proxies lodged

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

Restriction on voting

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

Objection regarding validity of the votes

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

CHAIRMAN

Chairman

94. The Chairman of the Company shall be nominated by the Government of Kerala or by the Bekal Development Authority and in the absence of a nominee of the Government of Kerala or Bekal Development Authority, the Directors present may elect one of their members to be the Chairman of the Board.

DIRECTORS

- Number of Directors* 95. (a) Until otherwise determined by a General Meeting the number of Directors shall not be less than 3 and not more than 12 Directors exclusive nominee Directors.
- (b) The following Persons shall be first Directors of the Company:
- (i) Mr. R. Ramachandran Nair
 - (ii) Mr. K. Jayakumar
 - (iii) Mrs. Nalini Netto
- Number of Directors* 96. (a) Two thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement by rotation and shall be elected by the Company in General Meeting.
- (b) The remaining Directors shall be appointed by the Board of Directors and shall not be liable to retirement by rotation nor taken into consideration in determining the retirement of Directors by rotation. Their period of office shall be determined by the Board.

MANAGING DIRECTOR

- Appointment* 97. (a) Subject to the provisions of Section 197A, 269, 316 and 317 of the Act, the Board may, from time to time appoint a Managing Director of the Company for such period as it shall think fit, and the Board may also from time to time (subject to the provisions of any agreement between such Director and the Company) remove him from office and appoint another in his place.
- (b) Subject to the provisions of the Act and any agreement entered into between the Director and the Company, he shall not while he continues to hold that office be subject to retirement by rotation and shall not be reckoned as a Director for the purposes of determining the rotation of retirement of Director or in fixing the number of directors to retire and subject to the provisions of any contract between him and the Company, shall be bound by the provisions as to resignation and removal as the other Directors of the Company and he shall *ipso facto* and immediately cease to be a Managing Director, if he ceases to hold the office of the Director for any cause.

Remuneration of Managing Director

(c) The remuneration of the Managing Director (subject to Section 309 of the Act, and other applicable provisions of the Act and these Articles and any contract between him and the Company) shall be fixed from time to time by the Directors, subject to the approval of the Company in General Meeting and the Central Government if required and may be by way of fixed salary/ perquisites or commission on profits of the Company or by participation in such profits or by any or all these modes or any other mode not expressly prohibited by the Act.

(d) Subject to the superintendence, control and direction of the Board, the day to day management of the Company shall be in the hands of the Managing Director, with power to the Board to distribute such day to day Management functions in any manner as deems fit by the Board subject to the provisions of the Act, these presents, and the Agreement.

Power of Managing Director

(e) The Managing Director shall not exercise the powers to:

(i) make calls on share holders in respect of any money unpaid on the shares of the Company.

(ii) issue debentures

(iii) and except to the extent mentioned in any resolution passed in any Board Meeting(s) under Section 292 of the Act, shall also not exercise powers to:

(a) borrow monies otherwise than on debenture;

(b) invest the funds of the Company and

(c) make loans, give credits, or sign credit notes exceeding an amount fixed by the Board from time to time.

Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 292 thereof the Board may from time to time entrust to and confer upon the Managing Director for the time being such of the powers exercisable under these presents by the Board as they may think fit and may confirm

such powers for the time being and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think fit, and they may confer such powers, either collaterally with or to the exclusion of, and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

*Power to appoint
nominee Directors*

98. Notwithstanding anything to the contrary contained in these Articles, so along as any monies remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit & Investment Corporation of India Limited (ICICI) and Life Insurance Corporation of India (LIC), Unit Trust of India, Banks or to any other Financing Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC, Banks and Unit Trust of India (UTI) any or another Finance Corporation or Credit Corporation or any other Financing Company or body each of which IDBI, IFCI, ICICI, LIC, Banks and UTI, or any other Finance Corporation or Credit Corporation or any other Financing Company or body is (hereinafter in this Article referred to as "the Corporations") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporations holds shares in the company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any Guarantee furnished by the Corporations on behalf of the Company remains outstanding, the Corporations 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") 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 place(s).

The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). At the option of the Corporations such Nominee Director(s) shall not be required to hold any share qualification in the Company. Also at the option of the

Corporations such Nominee Director(s) shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director(s) so appointed shall hold the said office only so long as any monies remains owing by the Company to the Corporations or so long as the Corporations holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporations holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director(s) so appointed in exercise of the said power shall *ipso facto* vacate such office immediately, the monies owing by the Company to the Corporations are paid off or on the Corporations ceasing to hold Debentures/ Shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporations.

**Casual vacancy and
appointment of
additional Directors**

99. The Company in General Meeting and the Directors, subject to the provisions of Sections 260, 262, 284(5) and 284(6) of the Act, shall have power at any time and from time to time to appoint any qualified person to be Director either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not any time exceed the maximum number fixed above.

**Increase or reduction
in number of Directors**

100. Subject to the provisions of Sections 258 and 259 of the Act, the Company may from time to time in General Meeting, subject to the provisions of these Articles and to any undertaking by the Company to the contrary, increase or reduce the number of Directors and may make any appointments necessary for effecting such increase. The Company may also alter the qualification of Directors, provided however that this Article shall not be construed as authorising the removal of a Director otherwise than as provided in these articles.

**Share qualification of
Directors**

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

Retirement of Directors by rotation 102. At every Annual General Meeting, one third of such Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office, but shall be eligible for re-election. A director retiring at a meeting shall retain office until the close of the meeting. The Nominee Director or alternate Director shall not be taken into account in determining the rotation of Directors by retirement or the number of Directors to retire.

Ascertainment of Directors retiring by rotation 103. The Directors to retire by rotation at every Annual General Meeting in every year shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall (unless they otherwise agree among themselves) be determined by lot.

When Director deemed to be reappointed 104. If at any meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled up, the meeting shall, unless it shall be determined at any such meeting to reduce the number of Directors stand adjourned to the same day in the next week at the same time and place, or if that day is a Public Holiday, till the next succeeding day which is not a Public Holiday, at the same time and place, and if at the adjourned Meeting also the places of the retiring Directors are not filled up, then the retiring Directors or such of them as have not had their places filled up shall be deemed to be re-elected at such adjourned meeting.

Right of persons other than retiring Directors to stand for Directorship 105. No person not being a retiring Director shall unless recommended by the Directors for election, be eligible for election to the office of Director at any General Meeting, unless he or some other member intending to propose him, has at least 14 clear days before the meeting, left at the office a notice in writing duly signed, signifying his candidature for the office, or the intention of such member to propose him along with the deposit of such sum as may be prescribed which shall be refunded to such person or as the case may be, to such member if the person succeeds in getting elected as a Director.

Appointment of Alternate Director 106. The Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called "the original Director") during his absence for a period of not less than three months from the State in

which meetings of Board are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to the State in which meeting of the Board are ordinarily held. If the term of office of the original Director is determined before he returns to the State in which meeting of the Board are ordinarily held, any provision in the Act or in these Articles for the automatic reappointment of retiring Directors in default of another appointment shall apply to the original Director and not to the Alternate Director.

Remuneration of Directors

107. The maximum remuneration of a Director for his services shall be such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors attended by him and, subject to the limitation provided by the Act, the Director shall be paid such further remuneration (if any) as the Company in General Meeting shall from time to time determine, and such further remuneration shall be divided among the Directors in such proportion and manner as the Directors may from time to time determine. Subject as aforesaid, the Directors, may allow and pay to any Director, visiting the place of Board Meeting or other Company Meeting from outstation, for the purpose of attending such a meeting, such sum as the Directors may consider fair compensation for his expenses and loss of time in connection therewith, in addition to his fee for attending such meeting as above specified.

If any Director, being willing is appointed to an executive office either whole-time or part time or is called upon to perform extra services or to make special exertions for any of the purposes of the Company or in giving special attention to the business of the Company or as a member of a Committee of the Board then, subject to Sections 198, 309 and 310 of the Act, the Board may remunerate the Director so doing by a fixed sum or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

- Travelling allowance of Directors* 108. The Directors may subject to limitations provided by the Act allow and pay to any Director who is not a resident of the place where the Registered Office for the time being of the Company is situated or where the meeting of the Board is held and who shall come to such place for the purpose of attending a meeting of the Board or a Committee thereof, such sum as the Directors may consider fair compensation for travelling and other expenses, in addition to fees, if any, for attending such a meeting as above.
- Directors may act notwithstanding vacancy* 109. The continuing Directors may act notwithstanding any vacancy in their body, but so that subject to the provisions of the Act, if the number falls below the minimum, above fixed and notwithstanding the absence of a quorum, the Directors may act for the purpose of filling up vacancies or for summoning a General Meeting of the Company or in emergencies.
- Director to hold office other than that of Auditor* 110. Subject to the provisions of section 314 of the Act in respect of an office of profit, a Director may hold any other office under the Company, except that of Auditor, in conjunction with the office of Director, and on such terms to remuneration and otherwise as the Directors may arrange.
- Office of Director to be vacated* 111. The office of the Director shall be vacated if he is disqualified under the provisions of the Companies Act, 1956 and/or under provisions of any law for the time being in force.
- Resignation* 112. Subject to the provisions of the act, a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.
- Directors may contract with Company* 113. (a) Subject to the provisions of sub clauses (b), (c) and (d) of this Article and the other Articles hereof and the Act and the observance and fulfillment thereof, no Director shall be disqualified by his office from contracting with the Company either as Vendor, Purchaser, Agent, Broker, or otherwise nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation

thereby established, but it is declared that the nature of his interest must be disclosed by him as provided by sub clauses (b), (c) and (d) hereof.

Disclosure of interest

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

General notice of interest

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

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

- (d) An interested Director shall not take any part in the discussions of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any

way, directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussions or vote; and if he does vote, his vote shall be void;

Provided that this prohibition shall not apply;

- (i) to any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the company;
- (ii) to any contract or arrangement entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely (a) in his being a Director of such Company and the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company or (b) in his being a member individually or collectively with other interested Directors holding not more than two per cent of Company's paid up share capital.
- (iii) in case a notification is issued under subsection 3 of Section 300 of the Act to the extent specified in the notification.

Register of contracts in which Directors are interested

114. In accordance with section 301 of the Act the company shall keep one or more registers and shall, within the time specified enter therein particulars of all contracts or arrangements to which Section 297 or Section 299 of the Act applies.

Directors may be Directors of companies promoted by company

115. A Director of this Company may be, or become a Director of any other Company promoted by this Company or in which it may be interested as a vendor member, or otherwise, and subject to the provisions of the Act and these Articles, no such Directors shall be accountable for any benefits received as Director or member of such Company.

Disclosure by Directors appointments

116. Director shall within 20 days of his appointment to or relinquishment of his office of a Director, Manager, or Secretary in any other body corporate dis-

close to the Company the particulars relating to his office in the other body corporate which are required to be specified under Section 303(1) of the Act. The Company shall enter the aforesaid particulars in a register kept for that purpose in conformity with section 303 of the Act.

- Disclosure of holdings* 117. A Director or Manager shall give notice in writing to the Company of his holding of shares and debentures of the Company or Company's subsidiary, or a holding Company or a subsidiary of the Company's holding Company together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 307 of the Act. If such notice be not given at a meeting of the Board, the Director or Manager shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board, next after it is given. The Company shall enter the particulars of a Director's, or Manager's holding of shares and debentures as aforesaid in a register kept for that purpose in conformity with Section 307 of the Act.
- Director may hold office of profit* 118. Any Director or other person referred in Section 314 of the Act may be appointed to or hold any office or place of profit under the company or under any subsidiary of the company in accordance with and subject to the provisions of Section 314 of the Act.
- Loans to Directors* 119. The Company shall observe the restrictions imposed on the Company in regard to the grant of loans to Directors and other persons as provided in Section 295 and other applicable provisions (if any, of the Act).
- Board Resolution at a meeting necessary for certain contracts.* 120. Subject to the provisions of Section 297 of the Act a Director or his relative, a firm in which such Director or relative is a partner, or any other partner in such a firm, or a private Company of which the Director is a member or Director, shall not enter into any contract with the Company for the sale, purchase or supply of goods, materials, services or for underwriting the subscription of any shares in or debentures of the Company except with the consent of the Board of Directors by a resolution passed at a meeting of the Board before the contract is entered into or within 3 months of the date on which it was entered into. Nothing contained in this Article shall affect the purchase of goods and materials from the Company or sale of goods and materials to the Company by a Director, relative, firm,

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

- Removal of Directors* 121. The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles), remove any Director before the expiry of his period of office and subject to the provisions of Section 262 of the Act appoint another person in his stead if the Director so removed was appointed by the Company in General Meeting or by the Board under Section 262 of the Act.

PROCEEDINGS OF DIRECTORS

- Meeting of Directors* 122. Subject to the provisions of Section 285 of the Act and these Articles the Directors may meet together as a Board for the despatch of business from time to time and shall also meet at least once in three months and atleast four such meetings shall be held in every year and they may adjourn and otherwise regulate their meetings and proceedings as they think fit.

- When Meeting to be convened* 123. A Director may, at any time and the Secretary, at the request of the Director shall convene meeting of the Directors. Notice of every meeting of the Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director.

- Quorum* 124. Subject to the Provisions of Section 287 and other applicable provisions (if any) of the Act the quorum for a meeting of the Board of Directors shall be one third of the total strength, (excluding Directors, if any, whose places may be vacant at the time) and any fraction contained that one third being rounded off as one or two Directors whichever is higher; provided that where

at any time the number of interested Directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. A meeting of the Directors for the time at which a quorum is present shall be competent to exercise all or any of the authorities', powers and discretion by or under the Act or the Articles of the Company, for the time being vested in or exercisable by the Board of Directors, generally.

Questions at Board Meeting how decided

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

Directors may appoint Committees

126. Subject to the provisions of Section 292 of the Act, the Directors may delegate any of their powers to committees consisting of such members of their body as they think fit and they may from time to time revoke or discharge any such committee, either wholly or in part and either as to persons or purposes; and committee so formed shall in exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Directors. All acts done by any such Committee, in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Subject to the Provisions of the Act the Board may from time to time fix the remuneration to be paid to by member or members of their body constituting a committee appointed by the Board in terms of these Articles and may pay the same.

Meetings of Committees to be governed

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

Acts of Directors or commi- valid notwithstanding defects in appointment

128. Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the ap-

pointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be Director.

*Resolution
by circular*

129. Save in those cases where a resolution required by Sections 292, 297, 316, 372(5) and 386 of the Act, to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board as the case may be, duly called and constituted if a draft thereof in writing is circulated together with necessary papers if any to all the Directors or to all the members of the Committee of the Board, as the case may be 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 the other Directors or Members of the committee at the usual address in India and has been approved by such of them as are than in India or by majority of such of them as are entitled to vote on the resolution.

*Minutes to be signed
and the effect of
minutes to be recorded*

130. (a) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within 30 days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.
- (b) Each page of every such book shall initialed or signed and the last page of the records of proceedings of each meetings in such books shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (c) In no case shall the minutes of proceedings of the meeting be attached to any such book as aforesaid by pasting or otherwise.
- (d) The Minutes of such meeting shall contain a fair and correct summary of proceedings thereat including the following:-
- (i) the names of Directors present at the meeting.
 - (ii) all orders made by the Board of Directors and committee of Board and all appointment of officers and committee of Director

- (iii) all resolutions and proceedings of the meeting of Board of Directors and the committee of the Board.
- (iv) in the case of each resolution passed at the meeting of the Board of Directors or Committee of the Board, the names of Directors, if any, dissenting from or not concurring in the resolution.
- (e) Nothing contained in sub-clauses (a) to (d) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting:-
 - (i) is, or could reasonably be regarded as defamatory of any person;
 - (ii) is irrelevant or immaterial to the proceedings; or
 - (iii) is detrimental to the interest of the Company;

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

- (f) Minutes of meeting kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

131. All minutes purported to be signed by the Chairman shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolutions recorded, and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

POWERS OF DIRECTORS

*General Powers
vested in Directors*

- 132. (a) Subject to the provisions of the Act, the Board of Directors 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 to do any act or thing which is directed or required, by any act or by the Memorandum or Articles of the Company or otherwise, to be exercised or done by the Company in general meeting. Provided further that in exercising any

such power or doing any such act for thing, the Board shall be subject to the provisions contained in that behalf in any Act or in the Memorandum or Articles of the Company, or in any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting.

- (b) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

*Specific powers given
to Directors*

133. Without prejudice to the general powers conferred by the last preceding Article and the other powers conferred by these presents but subject however to the provisions of any Act, the Memorandum, these presents, it is hereby expressly declared that the Directors shall have the following powers:-

Seal abroad

*Acquiring property
rights etc.*

To pay for property

To insure properties

- (a) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- (b) To have an Official Seal for use abroad;
- (c) To purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit;
- (d) At their discretion to pay for any property or rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash, or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
- (e) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Com-

pany either separately or jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

- | | | |
|--|-----|---|
| <i>To open bank accounts</i> | (f) | To open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw moneys from any such account from time to time as the Directors may think fit; |
| <i>To secure contracts</i> | (g) | To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the company and its unpaid capital for the time being or in such other manner as they think fit. |
| <i>To attach conditions</i> | (h) | To attach to any shares issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company such conditions as to the transfer thereof as they think fit; |
| <i>To accept surrender of shares</i> | (i) | To accept from any Member, on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof; |
| <i>To appoint Trustees</i> | (j) | To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such acts and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee and trustees; |
| <i>To institute, conduct legal proceedings</i> | (k) | To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debt due, or of any claims or demands by or against the Company; |
| <i>To refer to arbitration</i> | (l) | To refer any claim or demand by or against the Company to arbitration and observe and perform the awards; |

- To act in matters of
of bankruptcy* (m) To act on behalf of the Company in all matters relating to bankruptcy and insolvency;
- To give receipts* (n) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;
- To determine who shall be
entitled to sign on
Company's behalf* (o) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents;
- To invest moneys* (p) To invest and deal with any of the moneys of the Company whether or not immediately required for the purposes thereof, upon such securities and in such manner as they may think fit and from time to time to vary or release such investments;
- To give security by way of
indemnity* (q) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on;
- To give interest in particular
business or transaction etc.* (r) To give to any Director, Officer or other person employed by the Company an interest in any particular business or transaction or otherwise or a share in the general profits of the Company and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company; Provided that the share of general profits of the Company payable to the Directors or to the Officer of the Company or such other person shall not exceed in the aggregate a sum equivalent to 3 per cent of the net profits of the Company as determined in accordance with the provisions of Sections 349 and 350 of the Act; Provided further that thus limitation or restriction on the percentage of net profits shall not be applicable to any distribution of a general bonus to employees of the Company;

To provide for the Welfare of the employees etc.

(s)

To provide for the welfare of employees or ex-employees of the Company or its predecessors in business and their spouse, widow or widower, father (including step-father), mother (including step-mother), brother (including step brother), sister (including step-sister), son (including step-son), daughter (including step daughter) son's widow, daughter's widower, deceased son's children, deceased daughter's children or the dependents of such employees or ex-employees by building or contributing to the building of houses or dwellings or by grant of money, pensions, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident funds and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and to subscribe or contribute to for otherwise assist charitable, benevolent, national and/or other institutions or objects;

To subscribe to charitable funds

(t)

Subject to the provisions of the Act and these presents to subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object for any exhibition or to any institution, club, society or fund;

To establish revenue fund

(u)

The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they may think proper for Depreciation or Depreciation Fund or as Reserve or to a Reserve Fund or Sinking Fund or any Special Fund to meet contingencies or to repay Preference Shares or Debentures or for payment of dividends or for equalising dividends or for repairing or improving, extending and maintaining any part of the property of the Company, or for such other purposes as the Directors may in their absolute discretion think conducive to the interests of the Company; and the Directors may invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to restrictions imposed by the Act) as the Directors may think fit, and from time to time deal with and vary such investments and dispose of and apply and expend all or any part

thereof for the benefit of the Company, in any such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and the Directors may divide the Reserve or any Fund into such special funds and transfer any sum from one Fund to another as the Directors may think fit, and may employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Preference Shares or Debentures that without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same, with power however to the Directors at their discretion to pay or to allow to the credit of such fund interest at such rate as the Directors may think proper.

To appoint officers etc.

(v)

To appoint and at their discretion remove or suspend such committee or committees of experts, technicians or advisers or such Manager(s), Officer(s), clerk(s), employee(s) and agent(s) for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries and emoluments and require security in such instances and to such amounts as they may think fit, and also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India and the provisions contained in sub article (y) and (z) of this Article following shall be without prejudice to the general powers conferred by this sub-article;

To ensure compliance of local laws

(w)

To comply with the requirements of any local law which in their opinion it shall in the interest of the company be necessary or expedient to comply with;

To establish local Boards

(x)

From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in In-

dia or elsewhere and to appoint any persons to be members of any Local Boards and to fix their remuneration. And from time to time and at any time, but subject to the provisions of Section 292 of the Act and these presents to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Directors, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation. Any such delegates may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;

To appoint attorneys

(y)

At any time and from time to time but subject to the provisions of Section 292 of the Act and these presents by Power of to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the directors may from time to time think fit and any such appointment (if the Directors think fit) may be made in favour of the members or any of the members of any Local Board established as aforesaid, or in favour of any company or the members, Directors, nominee or managers of any company or firm or otherwise in favour of any fluctuating body or any persons whatsoever whether nominated directly or indirectly by the Directors, and any such power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Directors may think fit;

Delegation of Powers

(z)

Subject to the provisions of the Act and these presents to delegate the powers, authorities, and discretion vested in the Directors to any person, firm, company or fluctuating body of persons as aforesaid;

- Sub-delegation of Powers* (aa) Any such delegate or attorney as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretion from time to time being vested in him.
- To enter into contracts* (ab) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for in relation to many of the matters aforesaid or otherwise for the purposes of the Company.
- To appoint legal advisors* (ac) To appoint one or more qualified men as legal advisors whose duties shall be to give opinions on questions referred to them, to give notices, to conduct and defend suits and other proceedings on behalf of the Company and to do all that may be done by them in the interest of the Company in their capacity as such advisors and fix their remuneration and to replace any legal advisor by another at any time they think fit.
- To make bye-laws* (ad) From time to time to make, vary, repeal bye-laws for the regulation of the business of the Company, its officers and servants and Provident Funds, Pension Funds and any other welfare funds.
- Provisions of the Act to complied with by the Directors* 134. The Directors shall comply with the provisions of Sections 159, 295, 297, 299, 303, 305, 307 and 308 of the Act.

THE SECRETARY

The Secretary

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

REGISTERS, BOOKS AND DOCUMENTS

Registers, books and documents

136. (a) The Board shall cause proper books of accounts, together with vouchers relevant to any entry in such books of accounts, to be kept maintained and preserved in accordance with Section 209 of the Act.
- (b) The Books of account shall be kept at the office or at such other place in India as the Board may decide and when Board so decides, the

Company shall within 7 days of decision, file with the Registrar a notice in writing giving the full address of that other place.

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

THE SEAL

The Seal, its custody and use

137. (a) The Director shall provide a Common Seal for the purpose of the Company, and may from time to time destroy the same and substitute a new seal in lieu thereof, and shall provide for the safe custody of the seal for the time being, under such regulations as the Directors may prescribe.

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

Deeds how executed

138. Every deed or other instrument, to which the Seal of the Company is required to be affixed, shall unless the same is executed by a constituted attorney of the Company be signed by a Director and Secretary or some other person appointed by the Board for the purpose. Provided that in respect of share certificates the seal shall be affixed in accordance with the prescribed rules.

DIVIDENDS

Dividend

139. The profits of the Company, subject to any special rights relating to thereto created or authorised to be created by these presents, and subject to the provisions as to the reserve fund may be divisible among members in proportion to amount of capital paid up on the shares held by them respectively at the date of declaration of the dividend, provided that where capital is paid on any shares in advance of calls upon the footing that the same shall carry interest on such capital shall not whilst carrying interest, confirm a right to participate in the profits.

Declaration of dividend

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

Dividend to be paid out of profits

141. No dividend shall be payable except out of the profits of the year or any other undistributed profits and no dividend shall carry interests as against the company.

What to be deemed as net profits

142. The declaration of the Directors as to the amount of net profits of the Company shall be conclusive.

Interim Dividends

143. The Directors may from time to time pay to members such interim dividends as in their judgments the position of the Company justifies.

Debts may be deducted

144. The Directors may retain any dividends on which the company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Amount payable towards shares may be deducted

145. The Company may deduct from any dividend payable to any member all such 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.

Effect of transfer

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

Retention in certain cases

147. The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member or which any person under that clause is entitled to transfer until such persons shall become a member in respect thereof or shall duly transfer the same.

Dividend to joint holders

148. Any one of several persons who are registered as the joint holders of any share may give effectual receipt for all dividends and payments on account of dividends in respect of such shares.

Payment by post

149. (a) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheques or warrants sent through the post directed to the registered address of the holder or in case of joint holders, to the registered address that one of the joint holders who is first named

on the register of members, or to such persons and to such address as the holder or joint holders may in writing direct.

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

Notice of dividend

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

Unclaimed dividends

151. No unclaimed or unpaid dividends shall be forfeited by the Board. The Company shall comply with the requirements of Section 205A of the Act as regards any unpaid or unclaimed dividends declared by the Company and may issue certificates to the persons entitled to claim such unpaid dividends from the Central Government in terms of Section 205B.

CAPITALISATION OF PROFITS AND RESERVES

Capitalisation

152. (a) Any General Meeting may upon the recommendation of the Board resolve that any amounts standing to the credit of the Share Premium Account or the Capital Redemption account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realisation and, where permitted by law, from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalised.

- (i) by the issue and distribution as fully paid up shares of the Company

OR

- (ii) by crediting shares of the Company which may have been issued and are not fully paid up with the whole or any part of the sum remaining unpaid thereon.

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

- (b) Such issue and distribution under (a) (i) above and such payment to credit of unpaid shares capital under (a) (ii) above, shall be made to, among and in favour of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interest and in the proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (a) (i) or payment under (a) (i) or payment under (a) (ii) above shall be made on the footing that such members become entitled thereto as capital.
- (c) The Directors shall give effect to any such resolution and apply such portion of the profits, General Reserve, Reserve or Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of payment in full of the shares of the Company so distributed under (a) (i) above or (as the case may be) for the purpose of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (a) (ii) above, for increasing the nominal value of fully paid up shares of the company provided, that no such distribution or payment shall be made unless recommended by Directors and if so recommended by the Directors such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.
- (d) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which arise in regard to the distribution or payments aforesaid as they think expedient and in particular, they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash or shares in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, and fractional certificates or otherwise as they may think fit.

- (e) When deemed requisite a proper contract shall be filed in accordance with the act and the Board may appoint any persons to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

*Capitalisation in
respect of partly
paid up shares*

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

RESERVE AND DEPRECIATION FUNDS

Reserve Fund

154. The Directors may from time to time before recommending any dividend set apart any and such portion of the profits of the Company as they think fit as a Reserve Fund to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for equalisation of dividends or for repairing, improving and maintaining any of the property of the Company and for such other purpose of the Company as the Directors in their absolute discretion think conducive to the interest of the company and may invest the several sums so set aside upon such investment (other than shares of the Company) as they may think fit and from time to time deal with and vary such investment and dispose of all or any part thereof for the benefit of the Company and may divide the Reserve Fund into such special funds as they think fit with full power to transfer the whole or any portion of a Reserve Fund to another Reserve Fund or a division of a Reserve Fund and also with full power to employ the Reserve Fund or any part thereof in the business of the Company separate from the other assets and without being bound to pay interest on the same with power, however, to the Board in their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper

Depreciation Fund

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

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

ACCOUNTS

Books of accounts to be kept

157. (a) The Company shall keep at its registered office proper books of account with respect to:

- (i) All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place.
- (ii) All shares and purchases of goods by the Company and
- (iii) The assets and liabilities of the Company; Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide, and, when the Board of directors, so decides, the Company shall, within 7 days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

- (b) If the Company shall have a branch office, whether in or outside India, proper books of accounts relating to the transactions effected at that office shall be kept at that office, and, proper summarised returns, made up-to-date at intervals of not more than 3 months shall be sent by the branch office to the Company at its Registered Office or other place in India, as the Board thinks fit, where the main books, of the Company are kept.
- (c) All the aforesaid books shall give a true and fair view of the affairs of the Company or of its branch office as the case may be with respect to the matters aforesaid, and explain its transaction.
- (d) The books of account and other books and papers shall be open to inspection by any Director during business hours.

Books of accounts to be preserved 158. The books of account of the company relating to period not less than 8 years immediately preceding the current year (together with the vouchers relevant to any entry in such books of account), shall be preserved in good order.

Statement of accounts to be furnished to the General Meeting 159. The Directors shall, from time to time, in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheet, Profit & Loss Accounts and reports as are required by these Sections.

Right of members to the copies of balance sheets and auditor's report 160. The company shall comply with the requirements of Section 219 of the Act.

ANNUAL RETURNS

Annual returns 161. The Company shall make the requisite annual returns in accordance with Sections 159 and 161 of the Act and shall file with the Registrar, 3 copies of the Balance Sheet and the Profit & Loss Account in accordance with Section 220 of the Act.

AUDIT

Accounts to be audited 162. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 233 of the Act.

Accounts when audited and approved to be conclusive except as to errors discovered within three months 163. Every account when audited and approved by a General Meeting shall be conclusive except as regards any manifest error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the account shall forthwith be corrected and henceforth shall be conclusive.

NOTICES

How document to be served on Members

164. (a) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgment or any other document in relation to, or, in the winding up of the Company), may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address in India) to the address if any, within India supplied by him to the Company for the giving of notices to him.
- (b) Where a document is sent by post—
- (i) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing a notice provided that where a member has intimated to the Company in advance that the document should be sent to him under a certificate of posting or, by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document shall not be effected unless it is sent in the manner intimated by the members, and
 - (ii) such service shall be deemed to have been effected;
 - (1) in the case of notice of a meeting at the expiration of 48 hours after the letter containing the notice is posted;
and
 - (2) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

- Service on member having no registered address* 165. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notice to him, a document advertised in the newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.
- Service on the joint holders of shares* 166. The document may be served by the company on the joint holder of shares by serving it on the joint holder named first in the register in respect of the share.
- Service on persons acquiring shares on death and insolvency of members* 167. A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or, assignees of the insolvent, or, by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.
- Persons entitled to notice of General Meeting* 168. Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given:-
- (a) to members of the Company in any manner authorised.
 - (b) to the person entitled to a share in consequence of the death or insolvency of a member,
 - (c) to the auditor or auditors for the time being of the Company.
- Advertisement* 169. Subject to the provisions of the Act, any document required to be served or sent by the Company on or to the members or any of them, and not expressly provided for by these presents, shall be deemed to be duly served or sent, if advertised once in one daily English and one daily vernacular newspaper circulating in the state of KERALA.
- Members bound by document given to previous holders* 170. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which, previously to his name and address being entered on the Register, shall be duly served on or sent to the person from whom he derives his title to such shares.

*Notice by Company
and signature thereto*

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

*Service of notice by
shareholders*

172. All notices to be given on the part of the share holders shall be left at or sent by registered post to the registered office of the Company.

AUTHENTICATION OF DOCUMENTS

*Authentication of
documents and
proceedings*

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

WINDING UP

Distribution of assets

174. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively; and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of winding up paid up or, which ought to have been paid up on shares held by them respectively. But this Article is to be without prejudice to the right of the holders of shares issued upon special terms and conditions.

*Distribution specie or
kind*

175. If the Company shall be wound up whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution, divide amongst the contributories, in specie or in kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators with the like sanction shall think fit.

*Right of shareholders
in case of sale*

176. A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act, may subject to the provisions of the Act, in like manner aforesaid determine that any shares or other consideration receivable by the liquidators be distributed amongst the members otherwise than in accordance with their existing rights. Any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said Section.

INDEMNITY AND RESPONSIBILITY

*Directors and others
right to indemnity*

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

(b) Subject as aforesaid, every Director, Managing director, Secretary or other officer or employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is given to him by the Court.

*Not responsible
for acts of others*

178. Subject to the provisions of Section 201 of the Act, no Director, or Managing director, Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or other act or conformity, or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or, for the insufficiency or deficiency of any security in or upon, which any of the moneys of the company shall be invested or for any loss or damages arising from the bankruptcy, insolvency

veny or tortuous act of any person, Company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment or oversight in his part, or for any other loss or damages or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty or willful negligence.

SECRECY

Secrecy

179. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign and a shall deemed to have given a declaration pledging himself to observe strict secrecy respecting all customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by Court of Law and except so far as may be necessary in order to comply with any of the provisions of these presents.

Sl No.	Name, Address and Description and Occupation of the Subscriber	Signatures
1	R.Ramachandran Nair, IAS Chief Secretary to Govt. of Kerala	Sd/-
2	K.Jayakumar, IAS Secretary to Govt. of Kerala Tourism Culture and Information	Sd/-
3	Nalini Netto, IAS Director, Tourism, Govt. of Kerala	Sd/-
4	Ashish Kumar Singh, IAS Managing Director, Kerala Tourism Development Corporation Ltd., Mascot Square, Trivandrum	Sd/-
5	M.Harshan Secretary, Kerala Tourism Development Corporation Ltd., Mascot Square, Trivandrum.	Sd/-
6	Alkesh Kumar Sharma, IAS Addl. Director, Department of Tourism, Govt. of Kerala	Sd/-
7	R.Purushothaman Addl. Director, Department of Tourism Govt. of Kerala	Sd/-

WITNESS TO ALL

Sd/-

Biju.T.B.
Chartered Accountant
Mohan and Mohan Associates
XXXIX\3263, Radha Bhavan,
Ravipuram, Cochin - 682 016

DATED THIS 20th day of June 1995.