MEMORANDUM OF ASSOCIATION
OF
KERALA EDUCATIONAL AND TECHNICAL INFRASTRUCTURE
COMPANY LIMITED

The name of the Company is KERALA EDUCATIONAL AND TECHNICAL
INFRASTRUCTURE COMPANY LIMITED

I. The Registered Office of the Company shall be situated in the State of Kerala.

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

(A) Main Objects to be pursued on Incorporation:

(1) To promote and/or finance, plan, design, develop, construct, alter, repair, set up, commission, operate, market, manage and maintain Educational Industrial, Residential, Commercial, tourism and transport infrastructure of all descriptions as warranted by circumstances and in the manner beneficial to the interest of the company, such as Educational Institutions of all kinds including medical, technical and other professional and all other Institutions and related facilities, industrial estates, townships, information-technology parks, hotels, restaurants, golf-courses, convention and exhibition facilities, commercial complexes, and warehouses, railway links (light rail, mono-rails, maglalav), mass rapid transit systems, air-linkages and road linkages.

(2) To establish and maintain medical technical and other professional educational institutions or training centers for providing training facilities to the candidates for the posts of para medical personnel including Nurses, Pharmacists, therapists, engineers, technicians and various other posts as may be deemed necessary and to those who need such training while in service with the Company or any other employer.

(B) The Objects incidental or ancillary to the attainment of the main object:

(1). To negotiate and enter into any arrangement, contract or agreement with the Central or State Government or with any authorities, municipal local or otherwise, societies, trusts, or firms, associations, corporations or companies or other persons in India or abroad that may seem conducive to the Company’s objects or any of them and to give, extend, grant, lease, transfer or otherwise provide or to obtain/purchase from them any rights, powers and privileges, licenses, grants and concessions which the company may think it desirable to obtain and to carry out, giving or taking on lease or license or concession or otherwise exercise and comply with any such arrangements, rights, privileges and concessions.
(2). To charge, collect, appropriate and deploy fees, charges, lease rent and levies from users of the infrastructure facilities created by the participation of the Company and raise/arrange finances by equity, debt (senior or subordinate), debentures, bonds, deposits, obligations and securities of any kind guaranteed by the Company or guaranteed by any Government, State, dominions, sovereign, rulers, commissioners, public body or authority, supreme, municipal, local or otherwise, firm or person, whether in India or elsewhere, and to buy, invest in, subscribe to, acquire and hold, sell and exchange and deal in shares, preference shares, stocks, debentures (Convertible and Non-Convertible), debenture-stock, bonds, company deposits, obligations and securities of any kind issued or guaranteed by any company by any Government, State, dominions, sovereign, rulers, commissioners, public body or authority, supreme, municipal, local or otherwise, firm or person, whether in India or elsewhere.

(3). To provide expertise in maintenance, servicing, repairing, overhauling and under-take Consultancy services in the design, construction and maintenance of airports within the country and abroad.

(4). To receive fees, stipends, scholarships, grants, subsidies, gifts, donations or such other financial helps from Government, institutions or individuals local or foreign either in cash or in kind.

(5). To establish and manage public communication services from and to any and all parts of the world.

(6). To establish and run shops and shopping complexes including duty free cater to the requirements of national and international passengers and tourists.

(7). To establish and maintain fuel yards, fuel depots and petrol stations for supply of fuel to all types of vehicles on local, domestic including en-route navigation and other automobile vehicles.

(8). To provide various facilities such as vehicle maintenance, fire fighting, automobile parking and car rentals, commercial and business centers, conference halls, flight catering, medical centers, electric substations, water supply & sanitation systems, waste water collection and treatment, drainage and sewerage and services, meteorological services, etc.

(9). To incur expenditure in connection with various development, highway improvements, shifting of HT lines and LT lines in the boundary, dismantling of HT Towers, shifting railway lines, alternate arrangements for supply of irrigation water to nearby agricultural land consequent to blocking of canal passing through the land acquired, if any, development of surrounding areas as per mandatory regulation, establishment of an Industrial Park and providing for a mass-transport system.
(10). To acquire and undertake the whole or any part of the undertaking, assets or business, property and liabilities of any person, firm, association, Society or Company carrying on any business which the Company is authorized to carry on or possessed of property suitable for the purpose of this Company and to take or otherwise acquire and hold shares in any other Company have objects altogether or in part similar to those of this Company or carrying on the business capable of being conducted so as to directly or indirectly benefit this Company and to pay for the same buy debentures or shares either fully paid-up or partly paid-up or by cash.

(11). To amalgamate, enter into partnership, or into any arrangements for sharing profits, union of interests, co-operation, joint ventures, or reciprocal concessions, or for limiting competition with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in or which can be carried on or capable of being conducted so as to directly, or indirectly benefit the company.

(12). To apply for, purchase or otherwise acquire and protect prolong review any patents, rights, invention, licenses, concessions, trade marks, design and the like, conferring any exclusive or non-exclusive right of use or any secret or other information as to any invention, process or privileges which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use exercise, develop, manufacture or grant licenses or privileges in respect of or otherwise to turn to account the property rights of information, use of license so acquired and to subsidies, take part in or assist in any experiment, investigations and researches likely to prove beneficial to the Company.

(13). To establish, promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.

(14). To build, purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges and in particular any land, buildings, easements, machinery, plant and stock-in-trade which the Company may deem necessary or convenient for the purpose of the business.

(15). To acquire, construct, alter, maintain, enlarge, remodel, develop, pull down, remove or replace and to work, manage and control any buildings, offices, factories, mills, shops, machinery engines, roadways, tramways, railways, branches or sidings. bridges, reservoirs, watercourses, wharves, electric works, and other works, conveniences, which may seem calculated directly or indirectly to advance the interest of the Company and to join with any
other person whether company, association, partnership, Society, Airport Society or individual, in doing any of these things.

(16). Subject to the provisions of the Companies Act, 1956, to invest and deal with the funds of the Company not immediately required on such securities and in such manner as the Company shall deem fit.

(17). To advance money to such persons, Societies, Firm or Companies having dealings with the company on such terms as may seem expedient and to guarantee the performance of contracts by the obligations of any person or companies and to give indemnities in relation to the company’s business.

(18). To receive money on deposits or loans and to borrow or raise or secure the payments of money in such manner as the company shall think fit, in particular mortgage or by the issue of debenture or debenture stock (perpetual or otherwise) charged upon all or any of the Company’s property, redeem and to pay off any such securities.

(19). To pay for any property, business or rights acquired or agreed to be acquired by the Company in cash or fully or partly paid up shares with or without preferred rights in respect of dividends or repayment of capital or otherwise or by debentures or by any securities which the company has power to issue or partly in one mode and partly in another and generally on such terms as the company may determine.

(20). To draw, make, accept, endorse, execute, negotiate, purchase, discount, hold, sell and dispose of cheques, promissory notes, bills of exchange, hundies, drafts, charter parties, bills of lading, air consignment notes, warrants, debentures and other negotiable instruments and contracts, deeds and other instruments.

(21). To open account or accounts with any individual, Firm, Society, Airport Society or Company or with any bank or bankers and to pay into and to withdraw money from such account or accounts.

(22). Subject to the provisions of the Companies Act, 1956 to remunerate any person, Society, Firm, or Company and either in the form of brokerage, Commission or otherwise for any services rendered to the guaranteeing the subscription or for placing or assisting in placing the shares, debentures, debenture stock or other securities of the Company or for services rendered or to be rendered in or about the formation and registration of the Company whether by cash or by allotment of shares, debentures or other securities of the Company credited as paid up in full or in part.

(23). To sell, lease, mortgage or otherwise dispose of the property, assets or undertaking of the Company or any part thereof for such consideration as the company may think fit.
(24) To improve, manage, develop, grant rights or privileges in respect of or otherwise deal with all or any part of the property whether movable or immovable, or any part of the rights of the Company.

(25) To establish and support or aid in the establishment of associations, funds, trusts and conveniences calculated or benefit the employees of the Company or the dependants or connections of such persons and to grant pensions and allowances and to make payment towards insurance and provident fund.

(26) To subscribe or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or other institution or objects which shall have moral or other claims to support or aid by the company either by reason of locality of operation or public general utility or otherwise.

(27) To register or to get recognized the company in any part of the world and to do all or any of the objects of business to be carried on by the company in India and abroad.

(28) To create any depreciation fund, reserve fund, insurance fund, sinking fund or any other special fund whether for depreciation or repairs, replacement, improving, extending or maintaining any of the property of the company or for any other purposes conductive to the interest of the company.

(29) Subject to the provisions of the Companies Act, 1956, to place, to reserve or to distribute as dividend or bonus among members or otherwise to apply as the company may from time to time deem fit, any moneys received by way of premium on shares or debentures issued at premium by the company and any moneys received in respect of dividends accrued or forfeited shares or from unclaimed dividends.

(30) To establish, provide, maintain and conduct or otherwise subsidise research laboratories and workshops for scientific and technical research and experiments and to undertake and carry on all scientific and technical research experiments and tests of all kinds and to promote studies and research both scientific and technical investigation by providing, subsidising, endowing or assisting laboratories, workshops, lectures, meetings and conferences, and by providing for the award of scholarships, prizes and grants to students or intending students or otherwise generally to encourage, promote and reward studies, researches, investigations, experiments, tests, and innovations of any kind that may be considered likely to assist the business which the company is authorised to carry on.

(31) To establish, maintain and operate technical training institutions and hostels for technical staff of all categories of the company and to make such other arrangements that may be expedient for the training of all categories of officers, workers, clerks, technical and other personnel likely to be useful to assist in any business which the company is authorised to carry on.
(32). To establish, maintain and operate general education institutions and hostels for the benefit of the children of the employees or ex-employee of the company, their dependents or connections of such persons and others and to make grants and awards and grant scholarships.

(33). To undertake and execute any trusts, the undertaking whereof may seem desirable and whether gratuitously or otherwise.

(34). To indemnify and keep indemnified members, officers, directors, agents and servants of the Company against proceedings, costs, damages, claims and demand 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.

(35). To insure against losses, damages, risks and labialise of any kinds, all or any of the properties, undertaking, contracts, guarantees or obligations of the companies in manner whatsoever.

(36). To acquire from any person, Firm, Society or Company, whether in India or abroad, expert advice, technical information, know-how, processing, engineering, manufacturing and data, plans, lay outs and blueprints, useful for the design, manufacture, erection and operation of the plant and machinery required for any of the company and to acquire any grant or license and their other rights and benefits in the foregoing matters and things.

(37). To collaborate with foreign Governments, firms or manufacturers, operators, servicing and maintenance experts for acquiring or offering technical know-how or to employee foreign technician or experts or advisers on contract basis or otherwise and to loan on suitable terms the company’s experts, technician and other to other parties in or outside India for any of the above purposes.

(38). To allot shares or issue debentures to State or Central Government or its undertakings on special terms and conditions as may be deemed fit.

(39). To develop, layout and prepare any land acquired by the Company or taken on lease or in which it is interested for the purpose of construction of buildings and constructing, altering, maintaining any buildings, structures, townships, works, factories, amenities or such other things for the purpose of carrying on the business of the company, equip them with all modern facilities and deal with and dispose of them as may be thought desirable.

(40). To establish branches or appoint agencies for or in connection with the objects of the Company.
(41) To promote or finance or assist in promoting or financing any business, undertaking or industry, incidental or ancillary to the business of the Company, whether existing or new and to develop the same.

(42) To refer or to agree to arbitration, disputes, present or future between the Company and any other Company, Society, Firm or individual and to submit the same to arbitration to any arbitrator in India or Abroad.

(43) To acquire, build and manage workshops and service stations for repairing and servicing of vehicles and machinery, as may be necessary for the furtherance of the objects of the Company.

(C) Other Objects:

(1) To develop, organize, promote and carry on the business of consultants and contractors and to plan, design and render technical, management and industrial consultancy services to promote tourism, exports and industries to accelerate economic growth and to promote, undertake or execute studies, researched, surveys and investigations.

(2) To organize, carry on and conduct the business of travel agents, transportation of both passengers and goods by land, air or sea including waterways in any part of India or outside India, independently or in arrangement with individuals, Companies, Societies or Corporations with similar objectives.

(3) To carry on the business of Export House and as commission agents, brokers, buyers, exporters and importers, merchants, tradesman, dealers, shipping, clearing, forwarding and custom house agents.

(4) To establish and maintain educational, technical and vocational institutions to train candidates in the field of travel agency, hotelering, cargo movement, tour operations, guide service and promotion of tourism and culture.

(5) To promote tourism in any part of India by establishing and maintaining tourist resorts, tourist information centers, hotels, restaurants, holiday camps, recreational facilities such as golf courses, race courses and ancillary services directly or through other agencies, to act as tour operations for Indian and foreign tourists, to provide transport facilities to tourists and other passengers by operating tourist taxis, cabins, vans, coaches, boats and other means to transport.
ARTICLES OF ASSOCIATION
OF
KERALA EDUCATIONAL AND TECHNICAL INFRASTRUCTURE
COMPANY LIMITED

Preliminary:

1. The regulations contained in Table A in the First Schedule to the Companies Act, 1956 shall not apply to this company to the extent excluded by specific provisions stated hereunder save the regulations for the management of the company and for the observance of the member thereof and the representatives shall subject to any exercise of the statutory powers of the company with reference to the repeal or alternation of or addition to the regulations by Special Resolution as prescribed by the Companies Act, 1956 be such as are contained in these Articles.

INTERPRETATION CLAUSE

Interpretation

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

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

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

(c) “The Company” or “The Company” means KERALA EDUCATIONAL AND TECHNICAL INFRASTRUCTURE COMPANY LIMITED

(d) “Directors” includes Alternate Directors for the time being of the Company whether in meeting assembled or not.

(e) In “Writing” includes printing, lithography, typewriting, computer print and any other usual substitute for writing.

(f) “Member” means member of the company holding a share or shares of any class.

(g) “Month” means a Calendar month.

(h) “Office” means the Registered Office for the time being of the company.

(i) “Paid up” shall include credited as paid-up.

(j) “Person” shall include any Corporation or Company as well as individuals.

(k) “These presents” or “These Regulations” or “These Articles” shall mean these Articles of Association as now formed or altered from time to time and shall include these provisions in Memorandum where the context so requires.

(l) “The Register” means the Register of the members to be kept as required by section 150 of the Act.
(m) “The Seal” means the common Seal for the time being of the company.

(n) “Secretary” means an individual with the prescribed qualifications appointed to perform the duties of the Secretary under the Act.

(o) “Section” or “Sec.” Means Section of the Act.

(p) “Special Resolution” shall have the meaning assigned there to by section 189 of the Act.

(q) “Words” importing the masculine gender include the feminine gender and vice versa.

(r) “Year” means a calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(17) of the Act.

(s) Except where the context otherwise required, words importing the singular shall include the plural and vice versa.

Share Capital

3. The authorized Share Capital of the Company is Rs.1,00,00,00,000/= (Rupees One hundred Crores only) divided into 8,00,00,000 (Eight Crores) equity shares of Rs.10/= (Rupees Ten) each and 2,00,00,000 (Two Crores) Preference Shares of Rs.10/= each, with power to increase or reduce capital in accordance with the provisions of the Companies Act, 1956.

Allotment of Shares

4.1 The allotment of shares shall exclusively be vested in the Board of Directors who may, in their absolute discretion, allot such number of shares as they think proper and thereupon the fact of allotment shall be communicated to the allottee shall, immediately thereafter be entered in the Register of Members maintained under Section 150 of the Act.

4.2 The Board shall have absolute discretion to reject any application without assigning any reason whatsoever. If any application is rejected, the amount paid along with the application shall immediately be refunded.

4.3 No allotment is necessary in the case of signatories to the Memorandum of Association. The shares subscribed for by them shall be deemed to have been allotted to them on the date of incorporation of the company and their names shall forthwith be entered in the Register of Members.

Further issue of Capital

5. The Board may, at any time increase the Subscribed Capital of the Company by issue of new shares out of the unissue part of the Share Capital in the original or subsequent created capital, but subject to the following provisions, namely:

a) Where the offer and allotment of such shares are made within two years from the date of the first allotment of the shares made after its incorporation whichever is earlier, the Board shall be at liberty to offer the shares and allot the same to any person or persons at their discretion.
b) In respect of offers and allotments made subsequent to the date set out in clause (a) above, the Directors shall subject to the provisions of Section 81 of the Act, and of sub-clause (c) hereunder observe the following conditions.

(1) Such new shares shall be offered to the persons, who at the date of the offer, are holders of the Equity Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid upon those shares at that date.

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

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

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

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

(1) A Special Resolution passed at any General Meeting or

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

d) Nothing in this clause shall apply:-

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

(i) to convert such debenture or loans into shares in the company or

(ii) to subscribe for shares in the company, provided that the terms of such issued debentures or the terms of such loans include a term providing for such option and such term.

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

2) either has been approved by the Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.
(2) An option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting.

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

Alteration of Capital

6.1 The Company in General Meeting may from time to time by Ordinary Resolution alter the conditions of its Memorandum of Association as follows, that is to say, it may:

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

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

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

Reduction of Capital

7. The Company may by special resolution reduce in any manner and with, and subject to any incident authorized and consent required by law;

(a) its Share Capital;
(b) any Capital Redemption Reserve Account
(c) any Share Premium account.
Power to issue share of different classes

8. Without prejudice to any special rights conferred on the holders of any shares or classes of shares, any shares in the company may be issued with such preference or other special rights or such restrictions whether in regard to dividend, return of capital or otherwise, as the company may from time to time by ordinary resolution determine.

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

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

Preference Shares

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

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

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

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

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

No issue with disproportionate rights

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

Power to pay commission

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

Issue of Shares other than for cash

14. The Board may issue and allot shares in the capital of the Company as payment or part payment for land or any other property leased out, sold or goods transferred or machinery or appliances supplied or for services rendered to the Company or expenses, including interest paid or to be paid for in connection with the acquisition of land and its development, preliminary expenses, registration and other charges for or in connection with the incorporation of the company, acquisition and or conduct of the business incurred by any party and any shares may be allotted as fully paid-up shares, and if so issued shall be deemed to be fully paid-up shares.
Acceptance of Shares

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

Trusts not recognized

16. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

SHARE AND DEBENTURE CERTIFICATE

Rights of certificates

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

(a) One certificate for all his shares; or

(b) Where the shares so allotted at anyone time exceed the number of shares fixed as market lot in accordance with the usages of the Stock Exchange, at the request of the shareholder several certificates one each per marketable lot and one for the balance

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

Certificates to be under seal

18. Every certificate shall be under the seal of the Company and shall specify the shares or debentures to which it relates and the amount paid-up thereon.
Certificates for Joint Holders

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

Endorsement of transfer

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

Renewal of Certificate

21. If a Certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall if required, be replaced by a new certificate on payment of a fee, not exceeding Rupee One, if so required by the Board, provided however that such new certificate shall not be granted except on delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out-of-pocket expenses as the Board may require in the case of the Certificates having been defaced, destroyed or lost, provided further that no fee shall be charged for replacement of those which are old, decrepit, worn out or where the pages on the reverse for recording transfers have been fully utilized. Any renewed certificates shall be marked as such.

Splitting and consolidating of Shares Certificate

22. Any registered holder of the shares being in possession of any Share Certificate or Share Certificates for the time being may surrender such Share Certificate or Certificates to the Company and apply to the Company for the issue of two or more fresh Share Certificates comprising the same shares bearing the same distinctive number as were comprised in the said Certificates and in such separate lots as he may desire, in lieu of and in cancellation of such Share Certificates so surrendered or for the consolidation of the shares comprised in such Surrendered Certificates into one certificate and the Directors may, in lieu of and in cancellation of Certificates so surrendered, issue one or more such Share Certificates, as the case may be in the name of the person or persons in whose name the original Certificates stood and the new Certificates so issued shall be delivered to the person who surrendered the original certificate or to his certificates into market lots and where share certificates are issued for either more or less than market lots, sub-division and or consolidation should be done free of charges.
Issue of Certificates

23. Every Certificate to title to the Share or Shares shall be issued only in accordance with the provisions of Company (Issue of Share Certificate) Rules, 1960 or any amendment thereof or any provision of law applicable thereto, for the time being in force.

CALLS ON SHARES

24.(1) The Board may from time to time, subject to the call terms on which any shares may have been issued, and subject 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 respectively and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. A call may be made payable by installments and shall be deemed to have been made when the resolution of the Board authorising such call was passed.

(2) Where any calls for share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of these Articles, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

Length of Notice of Call

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

Amount payable at fixed times or payable by installments to be deemed calls.

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

When interest on calls payable

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

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

Payment of Calls in advance

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

Revocation of Call

30. A call may be revoked or postponed at the discretion of the Board.

Liability of joint holders of shares

Revocation of Call

31. The Joint holders of a share or shares shall be severally as well as jointly liable for payment of all installments and calls, interest and expenses, if any due (in respect of such share or shares).

Company’s lien on shares

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

Enforcing of lien by sale

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

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

Application of proceeds of sale

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

FORFEITURE OF SHARES

If call of installment not paid, notice may be given:

36.(1) If a member fails to pay any call or installment of a call on the day appointed for the payment thereof, the Board may, at any time thereafter during such time as any part of such a call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued, and all expenses that may have been incurred by the Company by reason of such non-payment.

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

If notice not complied with, shares may be forfeited.

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

Surrender of Shares

38. The Board may accept in the name and for the benefit of the company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other shares.
Board’s rights to disposal of forfeited shares or cancellation of forfeiture

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

Liability after forfeiture

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

Declaration of forfeiture

41. A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been fully 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 that declaration and the receipt of the Company for the consideration, if any, given for the share on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale of disposal of the share.

Non-payment of sums payable at fixed times

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

Transfer of shares

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

(2) The instrument of transfer of any shares in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register in respect thereof. The instrument of transfer shall be in respect of only one class of shares.
(3) The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the Certificate of shares to which it relates and such other evidence as the Company may require to prove the title of the transferor or his right to transfer of the shares.

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

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

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

(7) Nothing in this Article shall prejudice the power of Board to refuse to register the transfer of any person to whom the right to any share has been transmitted by operation of law.

Transfer of infants, insolvents and persons of unsound mind

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

Board’s right to refuse to register

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

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

(3) In case such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 111 of the Act.
(4) Provided that the registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or person indebted to the Company – on any account whatsoever except a lien on the shares.

(5) The provisions of this clause shall apply to transfers of stock, endorsement of transfer and issue of Certificate.

46.(1) Every endorsement upon the certificate of any share in favour of any transferee shall be signed by Secretary or by some other person for the time being duly authorized by the Board in that behalf. In case any transferee of share shall apply for a new certificate in lieu of the old or existing certificate, he shall be entitled to receive a new certificate on payment of a sum of Rupee One for every such certificate of shares to which the said transfer relates and upon delivery cancel every old, or existing certificate which is to be replaced by a new one.

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

(2) No fee shall be charged for transfer or transmission of shares or for registration of any power of Attorney, probate, letters of administration or other similar documents.

Particulars of transfer to be entered in Register of members

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

Custody of Transfer Deeds

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

Closure of Register of Members and Register of Debentures holders

49. The Board may after giving not less than seven days previous notice by advertisement in some newspaper circulating in the District in which the Registered Office of the company is situated, close the Register of Members or the Register of Debenture holders for any period or periods not exceeding in the aggregate forty five days in each year but not exceeding thirty days at anyone time.
50. (1) The executors or administrators of a deceased member (not being one of several joint holders) or the holder of a succession certificate empowered thereby to receive dividends on and to negotiate any shares belonging to deceased member, shall be the only persons recognized by the Company, as having any title to the shares registered in the name of such member, provided that the member should be a member of a Joint Hindu Family, the Board on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family may, recognize the survivors or the Karta thereof as having title to the shares registered in the name of such member; provided further that in any case it shall be lawful for the Board in their absolute discretion to dispense with the production of probate or letter of administration or other legal representation upon such terms as to indemnity or otherwise, as to the Board may seem just.

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

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

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

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

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

Rights and liabilities of legal representatives

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

(a) to be registered himself as holder of the share or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(2) The Board shall, in either case, have the same right to decline or to suspend registration, as it would have had, if the deceased or insolvent member has transferred the share before his death or insolvency.
Notice of election by legal representatives

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

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

(3) All the limitations, restrictions and provisions of these regulations relating to right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

(4) A person becoming entitled to a share by reasons of the death, lunacy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as member in respect of the share be entitled to in respect of it to exercise any right conferred by membership in relation to meetings of the Company; provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

Company’s right to register transfer by apparent legal owner

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

REGISTER OF MEMBERS

Register of Members and Debentures Holders

54. The Company shall keep at its registered office in one or more books a register of its members and debenture holders commencing from the date of the registration of the Company and an index of members and debenture holders and enter therein the particulars prescribed in Sections 150,151, and 162 of the Act and the Companies (Issue and Share Certificate Rules) 1960 or any modification thereof for the time being in force.
Inspection of Registers

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

SET-OFF MONEYS DUE TO SHAREHOLDERS

Set-off of moneys due to shareholders

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

CONVERSION OF SHARES INTO STOCK

Conversion Of Shares

57. The Company, may with the sanction of the shareholders previously given in general meeting convert all or any fully paid up shares of any denomination into stock and vice versa.

Transfer of Stock

58. The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose, might before the conversion have been transferred. Or as near thereto as circumstance 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 form which the stock arose.

Rights of stock holders

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

Applicability of Regulations to stock and stock holders

60. Such of the regulations contained in these presents (other than those relating to share warrants) as are applicable to fully paid up shares shall apply to stock and the words "share" and "shareholder" in these presents shall include "stock" and "stockholders" respectively.
SHARE WARRANTS

Issue of share warrants

61.(1) The Company may issue share warrants subject to and in accordance with the provisions of Sections 114 and 1145 of the Act and accordingly, the Board may in their discretion with respect to any share which is fully paid up, on application in writing signed by person registered as holder of a share and authenticated by such evidence, if any as the Board may, from time to time require as to the identity of the person signing the application, and on receiving the Certificate if any, of the share, and amount of the stamp duty required for the warrant and such fees as the Board may from time to time require, issue a share warrant and may provide by coupons or otherwise for the payments of the future dividends on the shares specified in the share warrant.

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

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

Requisition of meeting by Bearer of Share Warrants

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

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

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

Disabilities of Holder

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

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

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

GENERAL MEETINGS

Statutory Meeting

65. The Statutory Meeting of the Company shall be held at such place and time (not less than one month, not more than six months from the date on which the Company is entitled to commence business) as the Directors may determine, and in connection therewith the Directors shall comply with the provisions of section 165 of the Act.

Annual General Meeting

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

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

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

(c) Every Annual General Meeting shall be called during business hours on a day that is not a public-holiday under the Negotiable Instruments Act and shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situated.

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

(e) All other meetings shall be referred to as Extraordinary General Meetings.

Extraordinary General Meetings

67. The Board may whichever they think fit convene an Extraordinary General Meeting at such time and at such place as they deem fit. Subject to the directions if any given by the Board, the Secretary may convene Extraordinary General Meetings.
Extraordinary General Meeting by Requisition

68.(1) The Board on the requisition of such number of members of the company as is specified below proceed duly to call an Extraordinary General Meeting of the company and comply with the provisions of the Act in regard to meetings on requisition.

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

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

(4) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as at the date of the deposit or despatch to the Registered office of the requisition, not less than $1/10$ of such of the paid up capital of company as at the date carried the right of voting in regard to the matters set out in the requisition.

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

Length of notice for calling meeting

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

Accidental omission to give notice not to invalidate meeting

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

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

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

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

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

PROCEEDINGS AT GENERAL MEETINGS

Quorum

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

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

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

Chairman of General Meeting

74.(1) The Chairman of the Board of Directors shall, preside as Chairman at every General Meeting of the company.
(2) If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the members present shall choose another director as Chairman of the meeting, and if no Directors be present or if all the Directors decline to take the chair, then the members present shall choose some one of their members to be Chairman of the meeting.

Adjournment of the meeting

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

Questions at General Meeting how decided

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

Casting Vote

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

Taking of poll

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

(2) Where a poll is to be taken, the Chairman of the meeting shall appoint one or more scrutinisers to scrutinize the votes given on the poll and to report to him thereon.

(3) On a poll 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 or cast in the same way all votes he uses.
In what cases poll taken without adjournment

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

No member entitled to vote while call due to the company

80. No member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any call or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.

81. Subject to the provisions of these Articles, and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for time being forming part of the capital of the company, every member, not disqualified by the last preceding Article, shall be entitled to be present and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the company provided, however, if any Preference shareholder be present at any meeting of the company, save as provided in clause (b) of sub – section (2) of Section 87 of the Act, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to the Preference shares.

Validity of Votes

82.(1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote disallowed at such meeting shall be valid for all purposes.

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

Business may proceed notwithstanding demand for poll

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

84. If there be joint registered holders of any share, anyone of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled hereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name shares shall for the purpose of these Articles be deemed joint-holders thereof.

Vote on behalf of member of unsound mind or minor

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

Proxies permitted on polls

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

Instrument of Proxy

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

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

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

88. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Validity of vote by proxy

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

Form of proxy

90. The instrument appointing a proxy shall be in one of the forms prescribed in Schedule IX of the Act or a form as near thereto as circumstances admit.

Time for objections to votes

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

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

92. The Chairman of any meeting shall be the sole judge of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Minutes

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

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

Number of Directors

94. Until otherwise determined by a General Meeting and subject to Section 252 and 259 of the Act, the number of Directors shall not be less that 3 and not more than 12.

Appointment of Directors

95. So long as Government of Kerala or its Public Sector undertakings hold not less than 26% of the paid up equity capital of the company the Government of Kerala shall have the right to nominate/appoint from time to time at its discretion 1/3rd of the total number of directors or 3 directors of the company, whichever is higher excluding the Managing Director. The Government of Kerala shall be entitled from time to time to remove any such Director or directors so appointed and reappoint any other person in his or their place.

First Directors

96.(1) The first Directors of the company shall be:-

1) Mr
2) Mr.
3) Mr.
4) Mr.
5) Mr.
6) Mr.
7) Mr.

Remuneration of Directors

97. Subject to the provisions of Sections 198, 309 and Schedule XIII of the Act, a Director who is in the Whole – time employment of the company may be paid remuneration either by way of monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other.

The fee payable to a Director (including a whole-time Director, if any, for attending a meeting of the Board or committee thereof shall be such sum as shall from time to time be determined by the Board within the limits prescribed in that behalf from time to time by the Central Government under or pursuant to the Act.
Special remuneration of Directors performing extra services and reimbursement of expenses

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

(2) The Board may allow and pay to any Director who is not a bonafide resident of the place where the meeting of the Board is held and who shall come to such place for the purpose of attending a meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses; in addition to his fee for attending such meeting as above specified; and if any Director be called to go or reside out of the ordinary place of his residence on the company's business, he shall be entitled to be paid and reimbursed any traveling or other expenses incurred in connection with the business of the company.

Share Qualification of Directors

99. Directors other than those appointed by the Government of Kerala under Article 95 above and the directors nominated under Article 103 below, shall hold a minimum of __________ number of equity shares in the company as qualifications shares.

Additional Director

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

Casual Vacancy

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

Alternate Directors

102.(1) The Board of Directors of the company may appoint Alternate Directors to act for a Director (hereinafter called in this clause “the Original Director”) during his absence for a period of not less than three months from the State of Kerala.
(2) An Alternate Director appointed under sub-clause (1) shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State of Kerala.

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

Nomination of Directors

103. Notwithstanding anything to the contrary contained in these Articles so long as any moneys shall be owing by the Company to any financing Corporation or Body (hereinafter referred as "the Corporation") or so long as the Corporation holds any shares/debentures in the company as a result of subscription or underwriting, or conversion of loan/debentures into equity capital of the company or so long as any guarantee given by the Corporation in respect of any financial obligation or commitment of the Company remains outstanding the Corporations shall, pursuant to an agreement between it and the company, have a right to appoint one or more persons as Director(s) on the Board of Director of the Company (each such Director also hereinafter referred to as "the Nominated Director"). The Nominated Director shall not be required to hold qualification shares and shall not be liable to retire by rotation. The Corporation may at any time and from time to time remove the Nominated Director appointed by it and may, in the event of such removal and also in case of death or resignation of the Nominated Director, appoint another in his place and also fill any vacancy which may occur as a result of the Nominated Directors from office. Each such Nominated Director shall be entitled to receive notices of all such meetings. The Nominated Director shall be paid all remuneration, fees allowances, expenses, and other moneys to which other Directors are entitled.

Continuing Directors may act

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

Vacation of office by Directors

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

a) he is found to be of unsound mind by a court of competent jurisdiction;

b) he applies to be adjudicated an insolvent;

c) he is adjudged an insolvent;

d) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months:
c) he fails to pay any call in respect of shares of the company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government has by notification in the official gazette, removed the disqualification incurred by such failure;

d) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is longer obtaining leave of absence from the Board.

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

f) he acts in contravention of Section 299 of the Act;

i) he becomes disqualified by an order of Court under 209 of the Act;

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

k) having been appointed a Director by virtue of his holding any office or other employment in the company, he ceases to hold such office or other employment in the company.

(2) Notwithstanding anything in sub-clause (c), (d) and (i) aforesaid the disqualification referred to in those clause shall not take effect:

a) for thirty days from the adjudication, sentence or order;

b) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or conviction resulting in the sentence, or order until the expiry of seven days, from the date on which such appeal or petition is disposed of; or

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

106. 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 and such resignation being accepted by the Board or after two months from the date of such notice in writing, whichever is earlier.
Director may contract with company

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

Provided nevertheless that no Director shall take part in the discussion or vote as a Director or vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and if he does so his vote shall not be counted, but he shall be entitled to be present at the meeting during the transaction of the business in relation to which he is precluded from voting all though he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to give the Directors or any of them any security by way of indemnity against any loss which they or any of them suffer by becoming or being sureties for the company or to any contract or arrangement entered into or to be entered with a Public Company or a Private Company which is a subsidiary of Public Company in which the interest of the Directors aforesaid consists solely in his being a Director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by company.

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

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

Rights of Directors

108. Except as otherwise provided by these articles, by these articles, all the Directors of the Company shall have in all matters equal rights and privileges and the subject to equal obligations and duties in respect of the affairs of the company.
RETIREMENT OF DIRECTORS

Rotation and retirement of Directors

109.(1) Two-thirds of the total number of Directors shall be persons whose period of office is liable to be determined by retirement of Directors by rotation and shall be elected by the Company in General Meeting.

(2) The remaining Directors shall not be liable to retirement by rotation nor be taken into consideration in determining the retirement of Directors of rotation.

(3) At each Annual General Meeting including the First Annual General Meeting of the company one third of such Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office. The Directors who are to retire at the First General Meeting shall be decided by the Board and at the subsequent Annual General Meetings the retirement of Directors shall be in accordance with Article 110.

Retiring Director eligible for re-election

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

Which Directors to retire

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

Retiring Directors to remain in office-till successor’s appointment

112. If any General Meeting at which an election of Directors ought to take place, the place of any retiring Director is not filled up, and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned to the same day in the next week at the same time and place or if that day is a public holiday till 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 place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy then the retiring Director whose place has not been so filled up shall be deemed to have been re-elected at the adjourned meeting, subject to the provisions of section 256 of the Act.

Power of General Meeting to increase or reduce number of Directors

113. Subject to the provisions of Sections 252, 255 and 259 of the Act the company in General Meeting may increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to retire.
Power to remove Directors by ordinary resolution

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

Right of persons other than retiring Directors to stand for Directorship

115. A person, not being a retiring Director shall be eligible for appointment to the Office of a Director at any General Meeting if he or some other member intending to propose him as a Director has, not less than 14 days before the meeting, left at the Registered Office of the company a notice in writing under his hand signifying his candidature for the office of the Director; or the intention of such member to propose him as candidate for that office as the case may be; along with a deposit of five hundred rupees which shall be refunded to such person succeeds in getting elected as Director. Such person by himself or by his agent authorized in writing has to sign and file with the Registrar a consent in writing to act as such Director.

PROCEEDINGS OF DIRECTORS

Meeting of the Board

116.(1) The Board may meet for the despatch of business, adjourn and other-wise regulate the meetings, as they think fit, provided that meeting of the Board shall be held at least once in every three calendar months subject to the provisions of the Section 285 of the Act.

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

Quorum

117.(1) The quorum for a meeting of the Board shall be one-third of the total strength (any fraction contained in that 1/3\textsuperscript{rd} being rounded off as one) or three Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of the remaining Directors, that is to say the number of the Directors who are not interested, present at the meeting being not less than three, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time. The term “interested Director” means any Director whose presence cannot by reason of section 300 of the Act count for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on any matter.

(2) If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as directors present by unanimity decide.
Questions how decided

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

(2) In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director, provided that the Chairman shall not have a casting vote at the election of Chairman of the Board.

Chairman

119.(1) The Chairman of the company shall be the Minister of ...............of the Government of Kerala, nominated by the Government of Kerala, and shall not be subject to retirement by rotation while he continues to hold that office. The Chairman shall be in ex-officio capacity only and shall not be entitled to any remuneration or perquisites in any manner.

(2) The Directors may elect one of their members as Vice-Chairman to preside over their meetings, in the absence of the Chairman and determine the period for which he is to hold office and unless otherwise determined, the Vice-Chairman shall be elected annually. The Vice Chairman shall in the absence of the Chairman, have all the powers conferred on the Chairman by these articles.

(3) If no person has been appointed as Vice-Chairman under Clause (2) above, or, if any meeting the Chairman and Vice-Chairman are not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one their member to be Chairman of the meeting.

Committee and Election of the Chairman of meeting of the Committee

120.(A)

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

(2) The quorum of the committee may be fixed by the Board and until so fixed if the Committee is of a single member or two members, the quorum shall be one and if more than two members it shall be two.
(3) If the Chairman of the Board is a member of the committee, he shall preside over all meetings of the Committee. If the Chairman is not a member thereof, the Committee may elect a Chairman of its meeting; if no such Chairman is elected or if at any meeting of the Chairman is not present within five minutes after the time appointed for holding the meeting, the members of the Committee present may choose one of their members to be Chairman of the Meeting.

Questions how determined

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

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

Acts done by board or committee valid notwithstanding defective appointment, etc.

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

Resolution by Circulation

123. Save in those cases where a resolution is required by Sections 262, 292, 297, 372(5), 386 and 488 of the Act or any other provisions of the Act to be passed at a meeting of the Board, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or all the members of the Committee, then in India, not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may be and to all other Directors or members of the Committee at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote on the resolution shall be as valid and effectual as if it had been a resolution duly passed at the meeting of the Board or Committee duly convened and held.

POWERS AND DUTIES OF DIRECTORS

Powers of company vested in Directors

124.(a) The business of the company shall subject to the provisions thereof be managed by the Board of Directors, who may exercise all such power of the company as are vested by the Act or any statutory modification thereof for the time being in force, or by these presents required to be exercised by the company in General Meeting, subject nevertheless to any regulation of these presents, to the provisions of the said Act, and to such regulations as being not inconsistent with aforesaid in General Meeting: but 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.
(b) Without prejudice to the generality of the powers, conferred by the last preceding clause, and the other powers conferred by these presents it is hereby expressly declared that the Directors shall have the following powers subject to the restrictions contained in the Section 293 and other applicable provisions of the Companies Act, 1956.

(1) To pay off all expenses incurred for the promotion, establishment and registration of the company and for procuring its capital to be subscribed. The expenses incurred for registration of the company shall be reimbursed by making payment or by issuing and allotting fully paid-up shares as “Shares issued and allotted for consideration other than cash” as may be decided by mutual agreement and as per the provisions of the Companies Act, 1956.

(2) To carry on and transact the several kinds of business specified in Clause III of the Memorandum of Association of the company.

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

(4) To purchase, take on mortgage or lease or otherwise acquire land from any person for construction of an Airport and erection of buildings thereon and to pay for the same as purchase consideration or lease rent and lease deposit either wholly or partly in cash, in shares, bonds, debentures or other securities of the company and any such shares may be issued either credited as fully paid up or as agreed upon.

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

(6) At their discretion, to pay for any property rights or privileges acquired by or services rendered to the company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the company, and any such shares may be issued either as fully paid up or with amount credited as paid-up thereon as may be agreed upon; and any such bonds, debentures, or other securities may be either specifically charged upon all or any part of the property of the company or not so charged.

(7) To engage and in their discretion to remove, suspend, dismiss and remunerate bankers, legal advisors, accountants, and other professionals, cashiers, clerks, agents, commission agents, dealers, brokers, foremen, servants, employees of every description and to employ such professional or technical or skilled assistants as from time to time may in their opinion be necessary or advisable in the interest of the company and upon such terms as to duration of employment, remuneration or otherwise and may require security in such instances and to such amounts as the Directors think fit.
(8) To secure the fulfillment of any contracts or agreements entered into by the Company, by mortgage or charge of all or any of the property of the company, or in such other manner as they may think fit.

(9) To institute, conduct, defend, compound or abandon any actions, suits and legal proceedings by or against the company or its officers or otherwise concerning the affairs of the company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings.

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

(11) To make and give receipts, releases and other acceptances for money payable to the company and for the claims and demands of the company.

(12) To determine who shall be entitled to sign on the company's behalf bills of exchange, pro-notes, dividend warrants, cheques and other negotiable instruments, receipts, acceptances, endorsements, releasers, contracts, deeds and documents.

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

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

(15) 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 mortgage 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.

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

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

(18) To enter into all such negotiations and contracts and rescind and vary, all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the company.
(19) To pay gratuities, bonus, rewards, presents and gifts to employees or dependants of any deceased employees, to charitable institutions or purposes, to subscribe for provident funds and other associations for the benefit of the employees.

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

(i) Power to make calls on shareholders in respect of money unpaid on their shares;

(ii) Power to issue debentures;

(iii) Power to borrow moneys otherwise than on debentures;

(iv) Power to invest the funds of the company; and

(v) Power to make loans.

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

(3) Every resolution delegating the power referred to in sub-clause (iii) of clause (1) above shall specify the total amount outstanding at anyone time up to which the money may be borrowed by the said delegates.

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

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

(20) So long as Government of Kerala or its public sector undertakings hold not less than 26% of the paid-up equity capital of the company, major decisions on important policy matters as detailed hereunder shall be taken by the Board of Directors only with the approval of the Government of Kerala intimated to or placed the Board by the nominee(s) of the Government of Kerala.

(a) Matters relating to management, investment, disinvestment, Acquisitions, mergers, expansion, diversification, etc. of / for the company.

(b) All matters relating to long term business plans, raising long term funds, major contracts / sub-contracts relating to construction / operation of the company shall also be decided upon in a similar manner.

(c) Matters relating to the constitution of managing / executive / audit committees of the company.

(d) Matters relating to material changes affecting any important issues including pricing of assets / services owned / of the company.
The Board of Directors shall not except with the consent of the company in General Meeting

125.(a) sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially whole, of any such undertaking.

(b) remit, or give time for the repayment of any debt due by a Director;

(c) invest otherwise than in trust securities, the amount of compensation received by the company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a) hereof or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after the considerable time.

(d) borrow money in excess of the limits provided in Article 133 hereof.

(e) contribute to charitable and other funds not directly relating to the business of the company or the welfare of its employees any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five percent of its average net profits as determined in accordance with the Act during the three financial years immediately preceding, whichever is great.

Appointment and powers of Managing Directors / Whole time Directors / Technical Directors

126.(1) Subject to the provisions of sections 198,269,309,310 and 311 and other provisions of the Act, as amended and applicable from time to time the Board may appoint one or more of their members as Managing Director, Whole-time Director or Whole-time Directors or Technical Director or Technical Directors at such remuneration and upon such conditions as they think fit. So long as the Government of Kerala holds not less than 26% of the paid up equity capital of the company, the Managing Director shall be the nominee of the Government of Kerala, who is either a senior official of the Government of Kerala not below the rank of Secretary to the Government or who has retired from the Government within the last 2 years, preceding such appointment, having served the government in such a position/rank and with rich experience in having handled industrial/infrastructure projects.

(2) A Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or of in fixing the number of Directors to retire (subject to the provisions of any contract between him and the company) he shall be subject to the same 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 or Whole time Director or Technical Director if he ceases to hold the office of Director from any cause.
(3) Subject to the provisions of the Act, and to the general supervision and control of the Board, the Managing Director shall have the general direction, management and superintendence of the business of the company with power to do all acts, matters and things deemed necessary, proper or expedient for carrying on the business and concerns of the company, including power to appoint, suspend and dismiss officers, staff and workmen of the company, to make and sign all contracts and receipts and to draw, accept, endorse and negotiate on behalf of the company all such bills of exchange, promissory notes, hundies, cheques, drafts, Government promissory Notes or other Government papers and other instruments as shall be necessary, proper or expedient for carrying on the business of the company and to operate on the Bank accounts of the company and to represent the company in all suits and all other legal proceedings and to engage Solicitors, Advocates and other Agents and to sign the necessary papers, documents and instruments of authority, to appoint agents or other attorneys and to delegate to them such powers as the Managing Director or Whole-time Director or Whole-time Directors or Technical Director or Technical Directors may deem fit and at pleasure, such power to revoke and generally to exercise all such powers and authorities as are not by the Act for the time being in force or by these Articles expressly directed to be exercised by the Board of Directors or by the company in General Meeting.

(4) The Managing Director or Whole-time Director or Whole-time Directors or Technical Director or Technical Directors shall not exercise the powers to:

(a) make calls on shareholders in respect of money unpaid on their shares in the company.

(b) issue debentures; and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, shall also not exercise the powers to:

   (i) borrow moneys, otherwise than on debentures;
   (ii) invest the funds of the company; and
   (iii) make loans

(5) Technical Director or Technical Directors shall advice the Board on technical matters and perform such duties and shall exercise such powers as are assigned to him or them by the Board.

(6) The company shall not appoint or employ, or continue the appointment or employment or a person as its Managing or Whole time Director or Technical Director who:

(a) is an undischarged insolvent, or has at any time been adjudged an insolvent;

(b) suspends, or has any time suspended, payment to his creditors, or makes, or has at any time made a composition with them; or

(c) is, or has at any time been, convicted by a Court of an offense involving moral turpitude.
Legal Proceedings

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

Powers to Delegate to Directors

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

Attorney of the Company

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

Registration of charges created

130. The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of the mortgages and charges affecting the properties of the Company or created by it.

Secretary

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

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

BORROWING

Borrowing

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

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

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

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

Terms of debenture issues

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

Register of Mortgages

135. The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the company and shall duly comply with requirement of the Act in regard to the Registration of mortgage and charges their specified and otherwise.

COMMON SEAL

Common Seal

136. The company shall have a Common Seal and the Board shall provide for its safe custody at the Registered Office.

Affixture of Common Seal

137. The Common Seal shall not be affixed to any instrument except by authority of a resolution of a Board or of a committee of the Board authorised by it on that behalf and except in the presence of at least two Directors and of the Secretary or such other person as the Board may appoint for the purpose, and those two directors and the secretary or other person as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

Right to Dividend

138.(a) The profits of the Company (including capital profits) subject to any special rights relating there to created or authorised to be created by these presents, and subject to the presents, as to the Reserve funds, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively on the last day of the year of account in respect of which such dividend is declared and in the case of interim dividend on the close of the last day of the period in respect of which such interim dividend is paid.
(b) Where capital is paid up on any shares in advance of calls, upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

Declaration of Dividend

139. The company in General meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

Interim Dividend

140. The Board may from time to time pay to the member such interim dividends as applicable to them to be justified by the profits of the Company.

Dividends to be paid out of profits only

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

Reserve Funds

142.(1) The Board may before recommending any dividend set aside out of the profits of the Company such sum as they think proper as reserve or reserves, which shall at the discretion of the Board, applicable for any purpose to which the profits of the company may be properly applied, including provision of or meeting contingencies or for equalizing dividends, and pending such application, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board, may think fit.

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

Method of payment of Dividend

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

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

(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portion of the period in respect of which the dividends if paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date then such share shall rank for dividend accordingly.
Deduction of Arrears

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

Adjustments of Dividends against calls

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

Payment by Cheque/Warrant

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

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

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

Receipt of Joint Holders

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

Dividend not to bear Interest

148. No Dividend shall bear interest against the Company.

Transfer of Shares not to Pass Prior Dividends

149. Any transfer of shares shall not pass the right to any dividend declared thereon the registration of the transfer. No unclaimed dividends shall be forfeited by the Board and the Company shall comply with the provisions of Section 205(A) of the Act in respect of such dividend.

Notice of Dividend

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

Capitalization of Profits

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

(a) that it is desirable to capitalised any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and or Profits.

(b) That such sums be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto if distributed by way of dividends and in the same proportion.

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

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

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

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

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

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

Power of Directors for Declaration of Bonus

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

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

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

(2) The Board shall have full power:

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

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

ACCOUNTS

Books of Account

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

(2) If the Company shall have branch office, whether in or outside India, proper books of accounts relating to the transactions effected at the office, shall be kept at that office, and proper summarised returns made up to date at intervals of not more than three months, shall be sent by the branch office to Company at the Registered Office or other place in India as the Board think fit, where the main books of the Company are kept.

(3) Provided that all or any of the Books of 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 decide the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.

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

Inspection by Members

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

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

Balance Sheet and Profit and Loss Account

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

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

(3) If in the opinion of the Board any of the current assets of the Company may not have value on realization in the ordinary course of business at least equal to the amount at which they are stated the fact that the Board is of that opinion shall be stated.

Authentication of Balance Sheet and Profit and Loss Account

157.(1) Save as provided in clause (2) below every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board by Secretary, and by not less than two directors of the Company including the Managing Director,

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

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

Profit and Loss Account to be annexed and Auditor’s Report to be attached to the Balance Sheet

158. The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditor’s Report including the auditor’s separate or supplementary report, if any, shall be attached thereto.
Board's Report to be attached to Balance Sheet

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

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

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

(4) The Board's Report and addendum, if any, thereto shall be signed by the Chairman if he is authorised in that behalf by the Board, and where he is not so authorized shall be signed by such number of Directors as are required to sign the Balance Sheet and Profit and Loss Account of the Company under clauses (1) and (2) of Article 157.

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

Right of Members to copies of Balance Sheet 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 return in accordance with Section 159 and 161 of the Act.

AUDIT

Accounts to be Audited

162. Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter set out.
Appointment of Auditors

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

(2) At any annual General Meeting a retiring Auditor by whatsoever authority appointed, shall be re-appointed unless,

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

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

(c) a resolution has been passed at the meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed.

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

(3) where at an Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill vacancy.

(4) The Company shall, within seven days of the Central Government’s power under clause (3) becoming exercisable, give notice of that fact to that Government.

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

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

(7) Any auditor may before the expiry of his term be removed from the office by the Company in General Meeting after obtaining the previous approval of the Central Government in that behalf.
(8) The persons qualified for appointment as Auditor shall be only those referred to in Section 226 of the Act.

Audit of Branch Offices of the Company

164. The Company shall comply with the provisions of Sections 228 of the Act in relation to the audit of the accounts of branch offices of the Company.

Remuneration of Auditors

165. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any auditors appointed to fill any casual vacancy may be fixed by the Board.

Rights of Auditors

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

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

(3) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

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

SERVICE OF DOCUMENTS AND DUTIES

Service of documents on the Company

168. A document may be served on the Company or any Officer thereof by sending to the Company or Officer at Registered Office of the Company by post under a Certificate of posting or Registered post, or by leaving it at the Registered Office.
How Documents are to be served on members

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

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

(3) Where a document is sent by post, service thereof shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document, provided that where a member has intimated to the Company in advance that 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 deemed to be effected unless it is sent in the manner intimated by the member; and such service shall be deemed to have been effected.

(i) in the case of a notice of a meeting at the expiration of forty eight hours after the letter containing the notice is posted; and

(ii) in any other case at time at which the letters would be delivered in the ordinary course of post.

Members to notify address in India

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

Service of Members having no registered address in India

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

Service on persons acquiring shares on death or insolvency of members

172. A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of 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 is the death or insolvency had not occurred.
Persons entitled to notice of General Meeting

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

(a) to the members of the Company as provided by Article 69 or in any manner as authorized by the Act;

(b) to the persons entitled to a share in consequence of the death or insolvency of a member as provided and as authorized by the Act;

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

Advertisement

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

Members bound by documents given to previous holders

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

How notice to be Signed

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

AUTHENTIFICATION OF DOCUMENTS

Authentification of documents and proceedings

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

WINDING UP

Winding up

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

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

INDEMNITY AND RESPONSIBILITY

Right of Directors and others to indemnity

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

Not responsible for acts of others

181.(1) Subject to the provisions of Section 201 of the Act no Director or other Officer of the Company shall be liable for the acts, receipts, negligence or defaults of any other Directors or Officers or for joining in any receipt or other act for the sake merely, of conformity, for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company of for the insufficiency or deficiency of any security in or upon which any money of the Company shall be invested or for any loss or damages arising from the bankruptcy, insolvency or tortious 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 judgement or oversight on 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 willful act or default.

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

182. (1) No Shareholder or other person (not being a Director) shall be entitled to visit or inspect the Company’s restricted areas or properties without the permission of the Directors or Secretary or to require discovery of or any information respecting any detail of the Company’s trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which in the opinion of the board or the Secretary it will be inexpedient in the interest of the Company to communicate to the public.

(2) Every Director, Manager, Auditor, Trustee, Member of a Committee, Officer, Servant, Agent Accountant or other person employed in the business of the Company shall if so required by the Board, before entering upon his duties or at any time during his term of office, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the Statement of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any matters which may come to his knowledge in the discharge of duties except when required so to do by the Board of Directors or any General Meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions contained in these Articles.

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Dated this the ____ day of _______ 2012 in ...............  

Witness:

Name:

Address:

Description:

Occupation: