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**THE COMPANIES ACT, 2013  
COMPANY LIMITED BY SHARES  
(Incorporated under the Companies Act, 1913)**

**ARTICLES OF ASSOCIATION  
OF  
M M FORGINGS LIMITED**

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Annual general meeting of the Company held on 11 August 2023, in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

**1. NON-APPLICABILITY OF TABLE 'F'**

The regulations contained in the Table "F" in Schedule I of the Companies Act, 2013 shall not apply to the Company, in so far as the same are repeated, contained or expressly made applicable in this Articles or by the said Act.

**COMPANY TO BE GOVERNED BY THESE ARTICLES**

The regulations for the management of the Company and for the observance of the members thereto and their representatives shall subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of, or addition to, its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.

**2. DEFINITIONS AND INTERPRETATION**

In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context:

- a. "Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
- b. "Article" or "Articles" means these articles of association of the Company as adopted including any alteration, modification and substitution thereto, from time to time, in accordance with the provisions of the Act.
- c. "Beneficial Owner" means the beneficial owner as defined in the Depositories Act.
- d. "Board" or "Board of Directors" means the collective body of the Directors of the Company.
- e. "The Company" or "This Company" means M M Forgings Limited.

- f. “Director” shall mean the Director of the Company including the Managing Director and / or Whole-time Director appointed in accordance with the provisions of the Act.
- g. “Depositories Act” means the Depositories Act, 1996 or any statutory modification or re-enactment thereof.
- h. “Depository” means a Depository as defined in the Depositories Act.
- i. “Financial Year” has the meaning given to it under Section 2 (41) of the Act.
- j. “Financial Institution” has the meaning given to it under Section 2 (39) of the Act.
- k. “Members” means member as defined under section 2 (55) of the Act.
- l. “In writing” or “Written” shall include email, and any other form of electronic transmission.
- m. “Month” means a calendar month.
- n. “National Holiday” means the day declared as national holiday by the Central Government.
- o. “The Registrar” means the Registrar of Companies of the state in which the registered office of the Company is situated.
- p. “Seal” means the common seal of the Company.
- q. “SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
- r. “SEBI Listing Regulations” shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.
- s. Words importing the singular number include where the context admits or requires the plural number and vice versa.
- t. Words importing the masculine gender also include the feminine gender.

### **3. REGISTERED OFFICE**

The Registered Office of the Company shall be in the state of Tamil Nadu.

#### **4. BUSINESS**

The Business of the Company shall include the separate objects mentioned in or within the scope of the meaning of Memorandum of Association and all matters incidental thereto; and the business shall be carried in the state of Tamil Nadu and other places in India and in such other countries and places as may be desired and shall (subject to the provisions of these Articles and the Act) be carried on by or under the management or control of the Directors and according to such regulations as they may from time to time prescribe, subject only to such control by the members at General Meetings as is provided for by these Articles and all such acts done in relation to the Company by the Directors shall be deemed to be the acts of the Company.

#### **5. CAPITAL AND SHARES**

5.1. The Authorized Share Capital of the Company shall be as stated in Clause V of the Memorandum of Association of the Company

5.2. The Board shall have power to modify, increase, reduce, consolidate, subdivide or otherwise alter the share capital and to divide the Shares into several classes and attach thereof such preferential, deferred, qualified, special rights, privileges or conditions, in such manner as may be permitted by the Act, for issuing, allotting or otherwise dispose of the same or any of them to such persons, in such proportion either at a premium or at par, as fully or partly paid up, for cash or for consideration other than cash, by way of payment or part payment for any property or assets or goods of any kind whatsoever acquired or services availed or upon conversion of shares or loans, and to vary, modify or abrogate any such rights, privileges or conditions.

Subject to the provisions of Section 55 of the Act, the Company shall have power to issue any kind of preference shares with a right to vary, modify and alter thereafter, on such terms and conditions and be redeemed in such manner including by conversion into shares, as provided under the Act. Except otherwise issued as Preference Shares, the Company shall have power to issue Equity Shares and unless repugnant to context, wherever Shares are referred to, they shall be construed as Equity Shares as well as Preference Shares.

5.3. If the Company shall offer any of its shares to the public for subscription, the Directors shall not make any allotment thereof unless the conditions specified in the provisions of the Companies Act have been complied with.

5.4. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, shall not except as ordered by a Court of competent jurisdiction or as by statute required, be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.

5.5. Subject to the provisions of the Act and other applicable provisions of law, the Company may, with the approval of the shareholders by a special resolution in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities and further subject to such conditions as may be prescribed in that behalf.

- 5.6. Subject to the provisions of Section 62 of the Act and other applicable provisions of law and subject to the rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities, the Company may issue shares to employees including its Directors other than Independent Directors (as provided under the Act) and such other persons as the Rules may allow, under 'Employee Stock Option Scheme (ESOP)' or any other scheme, if authorized by a Special Resolution of the Company in General Meeting.
- 5.7. The Company shall, subject to the applicable provisions of the Act, compliance with all Laws and the consent of the Board, have the power to issue American Depository Receipts (ADRs) or Global Depository Receipts (GDRs) on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board and applicable security laws.
- 5.8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these 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.
- 5.9. Subject to SEBI Act, 1992 and the rules made thereunder:
- (1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection of the issue of securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and rules made there under.
  - (2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act, and rules made there under.
  - (3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

## **6. SHARE CERTIFICATES**

- 6.1. Save as otherwise provided in the SEBI laws, every member shall be entitled to receive within such time limit after allotment or after the application for the registration of transfer or transmission, as prescribed under the Act and the Rules -
- (1) one certificate for all his shares without payment of any charges; or
  - (2) several certificates issued for one or more of his shares, upon payment of such charges as may be determined by the Board, for each certificate after the first. The charge may be waived off by the Board or the committee.

- 6.2. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 6.3. Such certificate shall be issued only in pursuance of a resolution passed by the Board or a Committee of the Board in this regard and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation or in case of issue of bonus Shares.

Provided that if the letter of allotment is lost or destroyed, the Board or a Committee of the Board may impose such reasonable terms, if any, as to seek supporting evidence and indemnity and the payment of out of-pocket expenses incurred by the Company in investigating evidence, as it may think fit.

- 6.4. (1) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such fee, as may be determined by the Board, for each certificate.  
  
(2) The provisions of aforesaid Articles shall mutatis mutandis apply to debentures of the Company.

#### **DEMATERIALIZATION OF SECURITIES**

- 6.5. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise / rematerialize all or any of its securities and or offer securities fresh securities or buy back its securities in dematerialised form, pursuant to the Depositories Act and relevant rules thereof.
  - (1) Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository in respect of any security, in the manner provided by the Depositories Act, and the Company shall in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates of securities.
  - (2) Where a person opts to hold a security with a Depository, the Company shall intimate the Depository the details of allotment of the security, and on receipt of their formation, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.
  - (3) All securities held by a Depository shall be dematerialised and shall be in electronic form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.
  - (4) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

Save as otherwise provided above, the Depository as a registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

- (5) Every person holding shares of any class in the capital of the Company and whose name is entered as beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by such person.
- (6) The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

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

## **7. CALLS ON SHARES**

- 7.1. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- 7.2. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay the company, at the time or times and place so specified, the amount called on his shares.
- 7.3. A call may be revoked or postponed at the discretion of the Board.
- 7.4. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
- 7.5. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest therein from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

## **8. BUY BACK OF SHARES**

- 8.1. Notwithstanding anything contained in these Articles but subject to the provision of the Section 68 to 70 and any other applicable provisions of the Act or any other law, the company may purchase its own shares or other specified securities.

## **9. LIEN**

- 9.1. The Company shall have a first and paramount lien upon all the shares other than fully paid up shares registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts or liabilities; solely or jointly with any other person to the Company, whether the period for the payment or discharge thereof shall have actually arrived or not, and such lien shall extend also to all dividends and bonus shares from time to time declared in respect of such shares. Unless otherwise agreed, the registered of a transfer of shares shall operate as waiver of the Company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this Clause.
- 9.2. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit but no sale shall be made until such period as aforesaid, shall have arrived and until notice in writing of the intention to sell shall have been served on such member or his executors, administrators or other legal representatives and default shall have been made by him or them in the payment, fulfilment of discharge of such debts, liabilities within seven days after such notice.
- 9.3. The net proceeds of any such sale after payment of the cost of such sale shall be applied in or towards satisfaction of the debts, liabilities or the engagement of such member and residue (if any) paid to him, his heirs, executors, administrators or other legal representatives.
- 9.4. A statutory declaration in writing by one Director and the Manager or other person appointed for the purpose that a share in the Company has been duly surrendered or has been sold to satisfy a lien of the Company shall be conclusive evidence against all persons claiming to be entitled to the share that the share was properly surrendered or sold and such declaration and the receipt of the Company for consideration, if any, 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 affected by any irregularity or invalidity in the proceedings relating to the surrender, sale or disposal of the shares.
- 9.5. The fully paid shares shall be free from all lien and that in the case of partly paid shares, the issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

## **10. TRANSFER OF SHARES**

- 10.1. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.
- 10.2. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 10.3. The Board may, subject to the right of appeal conferred by Section 58 of the Act decline to register—

- (1) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (2) any transfer of shares on which the company has a lien.

10.4. The Board may decline to recognise any instrument of transfer unless—

- (1) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 of the Act;
- (2) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (3) the instrument of transfer is in respect of only one class of shares.

## **11. TRANSMISSION OF SHARES**

11.1. (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(2) Nothing in clause above shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

11.2. (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 properly be required by the Board and subject as hereinafter provided, elect, either—

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.

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

11.3. (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 the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.



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

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or 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 monies payable in respect of the share, until the requirements of the notice have complied with.

## **12. FORFEITURE OF SHARES**

- 12.1. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 12.2. The notice aforesaid shall –
- (1) name a further day (not being earlier than the expiry 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
  - (2) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
- 12.3. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 12.4. (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (2) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

## **13. ALTERATION OF CAPITAL**

- 13.1. Subject to the provisions of Section 61, the Company may -
- (1) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (2) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

- (3) 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.

13.2. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original Share Capital.

13.3. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, -

- (1) its share capital;
- (2) any capital redemption reserve account; or
- (3) any share premium account.

This Article is not to derogate any power, the Company, would have under Law, if it were omitted in these Articles.

13.4. All or any of the rights or privileges belonging to any class of shares forming part of the capital of the Company may be effected, modified, dealt with or abrogated in any manner with the sanction of a Special Resolution passed at a separate GENERAL MEETING of the members of that class by a majority in number of shareholders of that class holding  $\frac{3}{4}$  (three fourths) of the Share Capital of that class. All the provisions contained in these Articles as to the general meetings (including the provisions relating to the quorum at such meetings) shall mutatis mutandis apply to every such meeting.

#### **14. GENERAL MEETING**

14.1. The Company in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting that year.

14.2. Every annual general meeting shall be called for a time during business hours, that is, between 9.00 a.m. and 6.00 p.m., on any day that is not a National holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated; and the notices calling the meeting shall specify it as the annual general meeting.

14.3. All general meetings other than annual general meeting shall be called extraordinary general meeting.

14.4. Extraordinary General Meeting may be called in accordance with the provisions of Section 100 of the Companies Act, 2013.

14.5. All business shall be deemed special that is transacted at Annual General Meeting with the exception of:

- (1) The Consideration of accounts, Balance Sheet and the report of Board of Directors and the Auditors;
- (2) The declaration of dividend;
- (3) The appointment of Directors in the place of those retiring; and
- (4) The appointment of and fixing the remuneration of Auditors.

In the case of any other meeting, all business shall be deemed special.

## **15. NOTICES**

- 15.1. A general meeting of the Company may be called by giving not less than twenty-one clear days' notice in writing.
- 15.2. A general meeting may also be called after giving shorter notice as provided for in Section 101(1) of the Companies Act, 2013.
- 15.3. Notice of every meeting of the Company shall be given:
- (1) To every member of the Company legal representative of any deceased member or the assignee of an insolvent member;
  - (2) To the Auditor or Auditors and
  - (3) Every Director of the Company.
- 15.4. Every notice of meeting of the Company shall contain the following:
- (1) It shall specify the place, date, day and the hour of the meeting;
  - (2) It shall contain a statement of the business to be transacted thereat.
- 15.5. In every notice calling a meeting of the Company there shall appear, with reasonable prominence, a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a member.
- 15.6. Where under any provision of the Act, or these Articles, special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which notice is served or deemed to be served and the day of the meeting. The Company shall, immediately after receipt of such resolution give its members notice of the resolution in the same manner as it gives notice of the meetings, or if that is not practicable, shall give them notice thereof, either by advertisement in the newspaper having an appropriate circulation or in any other mode allowed by the Articles not less than seven days before the meetings. Special notice shall be in compliance with Section 116 of the Act.
- 15.7. The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the resolutions passed thereat.

## **16. REPRESENTATION AT MEETINGS**

- 16.1. A body corporate whether a Company (within the meaning of this Act or not) may, if it is a member of the Company, by resolution of its Board of Directors or other governing body conveyed to the Company, authorize such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company.
- 16.2. The President of India or the Governor of State if he is a member of the Company, may appoint such person as he thinks fit to act as a representative at any meeting of the Company or at any meeting of any class of members of the Company.

## **17. PROXIES**

- 17.1. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person, whether a member or not, as his proxy to attend and vote instead of himself and the proxy so appointed shall have no right to speak at the meeting, provided however, the instrument appointing a proxy shall be deemed to confer authority to demanding poll.
- 17.2. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the registered office 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 poll and in default the instrument of proxy shall not be treated as valid.
- 17.3. An instrument appointing a proxy shall be in the form as prescribed by the Act.
- 17.4. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## **18. QUORUM**

- 18.1. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be as provided in the Act.
- 18.2. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon such requisition as aforesaid shall be dissolved.
- 18.3. In any other case, it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine.
- 18.4. If, at such adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, those members who are present shall be a quorum and may transact the business for which the meeting was called.

## **19. CHAIRMAN OF THE MEETING**

- 19.1. The Chairman, if any, of the Board shall preside as Chairperson at every general meeting of the company.

- 19.2. If there is no such Chairman, or if 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 Directors present shall elect one of their members to be Chairman of the meeting.
- 19.3. If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairman of the meeting in accordance with the provisions of the Act.
- 19.4. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- 19.5. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 19.6. When a meeting is adjourned for 30 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 any notice of any adjournment of the business to be transacted at the adjourned meeting.
- 19.7. Where any resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on an earlier date.
- 19.8. At any general meeting, a resolution put to vote shall, unless a poll is demanded or the voting is carried out electronically, be decided on a show of hands. Before or on the declaration of the result of the voting on any resolution by show of hands, a poll may be ordered to be taken by the Chairman of the meeting either of his own motion or shall be ordered to be taken by him on a demand made by the members present in person or by proxy, where allowed, and having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than Rs.5,00,000/- or such higher amount as may be prescribed has been paid-up, and unless poll is so demanded, a declaration by the Chairman that a passing of resolution or otherwise by show of hands under the provisions of the Act and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact of passing of such resolution or otherwise.

## **20. VOTING RIGHTS**

- 20.1. Subject to any rights or any restrictions attached to any class of shares:
  - (1) on a show of hands, every member present in person shall have one vote;
  - (2) on a poll the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company; and
  - (3) A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

- 20.2. In the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to the vote or votes, he is entitled to as a member.
- 20.3. In the case of joint holders, the vote of senior who tenders vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders. For the purpose seniority shall be determined by the order in which the names stand in the Register of Members.
- 20.4. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by committee or other legal guardian and any such committee or guardian, on a poll vote by proxy provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the registered office not less than 24 hours before time of holding the meeting or adjourned meeting at which such person claims to vote.
- 20.5. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians. Provided that where there is more than one guardian and there is a dispute, the specific guardian whose vote shall be counted shall be selected by the Chairman of the meeting.
- 20.6. No member shall be entitled to vote at any General Meeting unless all call or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.
- 20.7. 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 not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.
- 20.8. The Chairman of any meeting shall be the sole judge of the validity 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.

## **21. BOARD OF DIRECTORS**

- 21.1. Unless otherwise determined by the Company in general meeting through special resolution, the number of Directors (excluding alternate Directors) shall not be less than 3 (three) and shall not be more than 15 (fifteen).
- 21.2. A Director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any General Meeting of the Company and in any separate meetings of the holders of any class of shares in the Company.
- 21.3. Subject to the provisions of the Companies Act, 2013, the Company may, in General Meeting by passing the special resolution, increase or reduce the number of Directors within the limits fixed hereto.

- 21.4. Only an individual and not a body corporate, association or firm shall be appointed as Directors of the Company.
- 21.5. The following persons were the first Directors of the Company at the time of incorporation of the Company viz.,  
E ESWARA IYER  
R S RAMASUBBA IYER
- 21.6. The Board shall have the power to determine the Directors, whose period of office is or is not liable to retire by rotation.

At every Annual General Meeting of the Company, one-third of such of the Directors as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office of Director.

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot. The retiring Directors shall be eligible for re-election.

- 21.7. The Company shall have the power to hold the meeting of the Board of Directors or any of its Committees through the means of video or teleconferencing or any audio-visual mode and also allow Directors to participate in the Board or Committee through the means of video or teleconferencing or any audio-visual mode, subject to the applicable provisions, if any, of the Companies Act, 2013, and / or other regulatory provisions thereof.

## **22. APPOINTMENT OF WHOLE TIME KEY MANAGERIAL PERSONNEL**

- 22.1. The Company shall have the following whole time Key Managerial Personnel: (a) Managing Director, or Chief Executive Officer, (b) Whole-time Director (c) Company Secretary and (d) the Chief Financial Officer. Such individuals shall be identified as whole time Key Managerial Personnel (whole time KMP) by the Board. Every whole time KMP shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration. Any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer so appointed may be removed by means of a resolution of the Board.
- 22.2. A whole time KMP shall not hold office in more than one company except in its subsidiary company at the same time. Provided that nothing contained herein shall disentitle a KMP from being a Director of any company with the permission of the Board.
- 22.3. Subject to the provisions of the Act, the Board of Directors may from time to time appoint one or more of their Directors as to be of Managing Director or Whole-time Director(s) or Manager of the Company, for such period on such terms including remuneration as the Board may think fit and subject to the terms of any agreement entered into, may remove or dismiss him or them from office and appoint another or others in his or their places or places.

- 22.4. The Managing Director or Whole-time Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Act. If a Managing Director and/or Whole-time Director ceases to be a Director, he shall ipso facto and immediately cease to be a Managing Director and/or Whole-time Director.
- 22.5. The Managing Director and Whole-Time Director shall be liable to retire by rotation.
- 22.6. The re-appointment of Managing Director or Whole-time Director or any other executive Director consequent to determination of their office by retirement by rotation shall not affect their current tenure of appointment and will not be treated as break in their respective office.
- 22.7. Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 179 thereof, the Board may from time to time entrust to and confer upon the Managing Director or Managing Directors such of the powers exercisable under these presents by the Directors as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think fit and they may confer such powers, either collaterally with or to the exclusion of, and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- 22.8. The Managing Director and/or Whole-time Director shall exercise all such specific and general powers of management necessary and incidental to the day-to-day management of the Company as may be delegated by the Board of Directors and in particular, the following powers in such manner as the Board shall, from time to time, by resolution determine.
- (1) To draw, make, accept, execute, issue and negotiate bill of exchange, promissory notes, cheques, drafts, hundies and instruments of every description.
  - (2) To open Bank accounts and operate on the accounts of the Company whether they be overdrawn or not.
  - (3) To enter into contracts and to do all such acts and things on behalf of the Company as may be necessary and incidental for carrying on the business of the Company.
- 22.9. Subject to the provisions of the Companies Act, a Managing Director or Whole-Time Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under this Articles, receive such remuneration as may from time to time be approved by the Company.
- 22.10. The Managing Director or Whole-time Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions vested in him in particular from time to time to any employee or others by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.



22.11. The Board may appoint a whole time key managerial personnel, holding necessary qualifications, to hold more than one position in the company at the same time.

22.12. A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

22.13. The Board of Directors shall have the power to appoint the same individual to hold and occupy both the positions of Chairman and Managing Director or Chief Executive Officer (CEO) or such equivalent managerial position thereof, in the Company.

### **23. COMMITTEE OF DIRECTORS**

23.1. The Board may, subject to the provisions of the Act, delegate any of its powers to the committee of Directors consisting of such member or members of its body as it thinks fit, from time to time, the managing Director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, revoke such delegation.

23.2. Any committee so formed shall in exercise of the powers, so delegated, conform to any regulations that may, from time to time be imposed upon it by the Directors.

23.3. A committee may elect Chairman of their meetings. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, members present may choose one of their members to be Chairman of the meetings.

23.4. A committee may meet and adjourn as it thinks proper.

23.5. Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present and in case of an equality of votes, the Chairperson shall have a second or casting vote.

### **24. ADDITIONAL DIRECTOR**

24.1. Subject to the provisions of the Act, the Board of Directors shall have the power to appoint any person other than a person who fails to get appointed as a Director in a general meeting, as an additional Director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held whichever is earlier.

### **25. NOMINEE DIRECTOR**

The Board may appoint any individual as a Director nominated by any institution in pursuance of the provisions of any law for the time in being force or of any agreement entered into by the Company with the said institution or by the Central Government or State Government by virtue of its shareholding in Government Company.

Such Nominee Director(s) shall not be liable to retirement by rotation and shall hold office only so long as the conditions specified in the agreement remain in force.

- 25.1. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Financial Institution (as such term is defined in the Act) out of any loans/ debenture assistance granted by them to the Company or so long as the Financial Institution holds or continues to hold debentures in the Company as a result of underwriting or direct subscription or private placement, or so long as the Financial Institution holds shares in the Company as a result of underwriting or direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Financial Institution on behalf of the Company remains outstanding, the Financial Institution may be granted a right to appoint from time to time any person or persons as a Director or Directors, whole-time or non-whole-time (which Director or Directors is/are hereinafter referred to as “Nominee Director/ s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.
- 25.2. The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Subject as aforesaid, the Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- 25.3. The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Financial Institution or so long as the Financial Institution holds debentures in the Company as a result of underwriting or by direct subscription or private placement or so long as the Financial Institution holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director(s) so appointed in exercise of the said power shall ipso facto vacate such office immediately when the moneys owing by the Company to the Financial Institution are paid off or on the Financial Institution ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Financial Institution.
- 25.4. The Nominee Director(s) appointed shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and the Meetings of the Committee of which the Nominee Director(s) is/are member/s as also the minutes of such meetings. The Financial Institution shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director(s) sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Financial Institution and the same shall accordingly be paid by the Company directly to the Financial Institution. Any expenses that may be incurred by the Financial Institution or such Nominee Director(s) in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Financial Institution or as the case may be to such Nominee Director(s).

Provided that if any such Nominee Director(s) is an officer of the Financial Institution the sitting fees, in relation to such Nominee Director(s) shall also accrue to the Financial

Institution and the same shall accordingly be paid by the Company directly to the Financial Institution.

- 25.5. In the event of the Nominee Director(s) being appointed as Whole-time Director/s such Nominee Director(s) shall exercise such powers and duties as may be approved by the Financial Institution and have such rights as are usually exercised or available to a Whole-time Director in the management of the affairs of the Company. Such Whole-time Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Financial Institution.

The right reserved to the Financial Institution to appoint Whole-time Director/s will however be exercisable only in the event of default on the part of the Company in terms of the Agreements entered into by the Company with the respective Financial Institution.

## **26. ALTERNATE DIRECTOR**

- 26.1. The Board of Directors shall have power to appoint a person as an Alternate Director during the absence of a Director for a period of not less than three months and such alternate Director shall ipso facto vacate office it and when the original Director returns to the state in which meetings of the Board are ordinarily held. However, no person shall be appointed as an Alternate Director for an Independent Director.
- 26.2. An Alternate Director shall not hold office for a period longer than that permissible to the Director in whose place he has been appointed.
- 26.3. An Alternate Director shall be entitled to receive notice of a vote at General Meetings of the Company on behalf of his appointer and generally to represent his appointer in the same manner as if he had been appointed under a general proxy under the provisions of these Articles.
- 26.4. If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the alternate Director.
- 26.5. The Alternate Director shall be entitled to receive the sitting fee, if any, if he attends a Board Meeting of the Company and the travelling expenses, if any, he incurs for attending the meeting but he shall not be entitled for any other remuneration that the appointer is entitled to as a Director of the Company.

## **27. APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY**

- 27.1. If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.

## **28. INDEPENDENT DIRECTOR**

- 28.1. The Company shall have such number of Independent Directors on the Board, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under SEBI Listing Regulations.
- 28.2. The provisions relating to retirement of Directors by rotation shall not be applicable to appointment of Independent Directors.

**29. WHEN ACTIONS OF DIRECTOR OR COMMITTEE VALID NOTWITHSTANDING DEFECTIVE APPOINTMENT**

All acts done by any meeting of Board of Directors or of a Committee of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of such Directors or person acting as aforesaid or that they or any of them were disqualified to be a Director. Provided that nothing in this article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

**30. LOAN TO DIRECTORS**

The Company shall observe the restrictions imposed on the Company in regard to grant of loan to Directors and other person as provided in Section 185 and other applicable provisions, if any, of the Act.

**31. POWER OF THE BOARD**

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law:

**31.1. General Powers:**

The business of the Company shall be managed by the Board which shall at all times act for and on behalf of the Company. The Board shall exercise all powers, other than those, which may be exercised only by the Company in general meeting, to carry on the business of the Company.

**31.2. General Authority:**

Wherever in the Act it has been provided that the Company shall have any right privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its Articles, then and in that case this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Act without there being any specific regulation in that behalf herein provided.

**31.3. Power to Delegate:**

The Board may delegate, to any persons so appointed. all or any of the powers, authorities and discretions vested in the Board, other than those specifically prohibited by the Act, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any persons so appointed and may annul any such delegation.

31.4. The Directors may from time to time at their discretion, raise or borrow or secure the payment of any sum or sums of money to any extent for the purpose of the Company on terms and conditions that may be decided upon by them.

31.5. Subject to the respective provisions of the Act, any kind of debentures or other securities whether secured or unsecured may be issued at a discount, premium or otherwise and may be issued on condition that they may be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise with the consent of the Company in General meeting accorded by a Special Resolution and any further variation thereof.

**32. MEETING OF THE BOARD**

32.1. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit and in accordance with the provisions of the Act and applicable laws. A meeting of the Board of Directors shall hold a minimum number of four meetings every year, in such a manner that not more than 120 days shall intervene between two consecutive meetings of the Board.

32.2. The Chairman on the request of a Director / Secretary shall at any time summon a meeting of the Board.

32.3. The notice of the meeting must be sent to all the Directors of the Company in writing at the postal address or email address as registered with the Company.

32.4. The quorum for a Board meeting shall be as provided in Section 174 of the Companies Act, 2013.

32.5. The continuing Directors may act, notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Director may act for the purpose of increasing the number of Directors to that fixed for the quorum or of summoning a General Meeting of the Company but for no other purpose.

32.6. The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means as may be prescribed by the Rules or permitted under law.

32.7. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office.

- 32.8. If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their member to be Chairman of the meeting.
- 32.9. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.  
(2) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

### **33. RESOLUTION BY CIRCULATION**

Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.

### **34. THE SEAL**

- 34.1. The Board shall provide for the safe custody of the Seal.
- 34.2. The Seal shall not be affixed to any instrument except by the authority of the Board of Directors or of a Committee of the Board authorized by the Board in that behalf and except in the presence of at least one Director who shall sign every instrument to which the Seal is so affixed.

Provided nevertheless that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same, the same shall be affixed in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 or any other statutory regulations.

### **35. DIVIDEND**

- 35.1. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

- 35.2. The Board may from time to time, pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
- 35.3. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as reserve which shall, at the discretion of the Board be applicable for any purpose to which the profits of the Company may be properly applied including provision for meeting contingencies or for equalizing dividends and pending such applications may, 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 from time to time, think fit.

- 35.4. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as a reserve.
- 35.5. Subject to the rights of the persons, if any, entitled to shares with special rights as to dividends shall be declared and paid according to the amount paid or credited as paid on the shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of the shares in the Company, dividend may be declared and paid according to the amounts of the shares.
- 35.6. No amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of this regulation as paid on the share.
- 35.7. All dividends shall be apportioned in proportion to the amounts paid or credited as paid on the share during any portion of the period in respect of which dividend is paid; but if any share issued on terms providing that it shall rank for dividend as from particular date such shares shall rank for dividend accordingly.
- 35.8. The Board may deduct from any dividend payable to any members all sums of money, if any, presently payable by him to the Company or on account of calls or otherwise in relation to the shares of the Company and the Shareholder shall be intimated of the fact thereof.
- 35.9. Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic means, Cheque or warrant sent through the post directly to the registered address of the holder or in the case of joint holders, to the registered address of one of the joint holders, who is first named on the register of member or to such person and to such address as the holder or joint holders may, in writing direct.
- (1) Every such electronic transfer, cheque or warrant shall be made payable to the order of the person to whom it is sent.
  - (2) Any one or two or more joint holders of a share may give effectual receipts, for dividends, bonus or other monies payable in respect of such share.
- 35.10. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 35.11. No unclaimed dividend shall be forfeited by the Board and the Company shall comply with the provisions of Section 123, 124 or any other appropriate provisions of the Act, as maybe applicable from time to time, in respect of such dividend.
- 35.12. Subject to the provisions of 123 to 127 of the Act, no unpaid dividend shall bear interest as against the Company.
- 35.13. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

### **36. ACCOUNTS AND AUDIT**

- 36.1. The Board shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to Inspection of members not being Directors.
- 36.2. No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by these Articles or authorized by the Board or by the Company in General Meeting.
- 36.3. A copy of every Statement of Profit & Loss and Balance Sheet (including the Auditors' Report and every other document required by law to be annexed or attached to the Balance Sheet) which are to be laid before the Company in General Meeting shall not less than twenty-one days before the date of the meeting be sent to every member of the Company, to every trustee for the holders of any debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of General Meetings of the Company sent to him and to all persons other than such members or trustees being persons so entitled.

Provided that the Company may instead of sending copies of the documents as aforesaid, keep copies of such documents available for inspection at the Registered Office during working hours for a period of twenty-one days before the date of the meeting and send a statement containing the salient features of such documents in such form as may be prescribed by the Central Government to every member and to every trustee for the holders of any debentures issued by the Company not less than twenty-one days before the date of the meeting.

- 36.4. Once at least in every year, the Accounts of the Company shall be examined and the correctness of Statement of Profit and Loss and the Balance Sheet ascertained by one or more Auditors as provided in the Act.

### **37. CAPITALISATION OF PROFITS**

- 37.1. The Company in General Meeting may upon the recommendation of the Board resolve:
- (1) That it is desirable to capitalize any part of the amount standing to the credit of any of the Company's reserve account or to the Credit of the Statement of Profit and Loss or otherwise available for distribution; and
  - (2) That such sum be accordingly set free for distribution in the manner specified in Clause 37.2 amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions.
- 37.2. The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in Clause 37.3 either in or towards
- (i) paying up any amounts unpaid on any shares held by such members respectively
  - (ii) paying up in full, unissued shares of the Company to be allotted, distributed and credited as fully paid up, to and amongst such members in the proportions aforesaid or
  - (iii) partly in the way specified in sub-clause (ii).



- 37.3. A Share Premium Account and a Capital Redemption Reserve Account may for the purpose of this Article only, be applied in the paying of unissued, shares to be issued to the Company as fully paid bonus shares.
- 37.4. The Board shall give effect to the resolution passed by the Company in pursuance of this Regulation.
- 37.5. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- (1) Make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid share, if any; and
  - (2) 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 for any further shares to 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 their respective proportions of the profits resolved to be capitalized of the amounts remaining unpaid on their existing shares. Any agreement made under such authority shall be effective and binding on all such members.

### **38. WINDING UP**

- 38.1. Subject to the provisions of Chapter XX of the Act and rules made thereunder, if the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- 38.2. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- 38.3. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **39. INDEMNITY**

Every Director, Key Managerial Personnel and others or employee of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal. and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies or comply with any of the provisions of the Act in respect

of or by reason of his office as a Director or other officer of the Company. Subject to applicable provisions of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining any receipt or other act for conformity for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquire by order of the Directors for or on behalf of the Company shall be invested or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any monies, securities or effects shall be entrusted or deposited or for any loss or damage 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 act of default.

**40. GENERAL POWERS:**

40.1. Where any provisions of the said Act, provides that the Board shall do such deeds and acts to carry out a particular transaction, only if it is so authorised in its Articles, in respect of all such acts, deeds, things, rights, privileges and authority, this Article hereby authorizes the Company to carry out the same, without the need for any specific or explicit Article in that behalf.

Sl. No.	Names, Addresses and Descriptions of Subscribers	Witness
1	K. Eswara Iyer Merchant "Sudhama" Sir Desikachari Road Mylapore, Madras	R. Mrithyunjayan Steno-Typist S/o Ramakrishna Iyer 161, Big Street Triplicane Madras
2	R S Ramasubba Iyer Merchant 5, Conran Smith Road North Gopalapuram, Cathedral Road, Madras	

**Dated at Madras this 21<sup>st</sup> day of February, 1946.**