

Memorandum
And
Articles of Association
of
NCL INDUSTRIES LIMITED

FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON
CHANGE OF NAME

COMPANY NUMBER : 2521

In the Matter of Nagarjuna Cements Limited

I hereby certify that Nagarjuna Cements Limited

Which was originally incorporated on 10th day of september, 1979 under the Companies Act,
and under the name Nagarjuna Cements Limited.

having duly passed the necessary resolution in terms of the Central Government signified in
writing having been accorded there to in the DEPARTMENT OF COMPANY AFFAIRS, Office of the
Registrar of Companies, Andhra Pradesh, Hyderabad Letter No; RAP/2521/TA 1/87 dated 18th day of
December, 1987 the name of the said company is the day changed to NCL INDUSTRIES LIMITED.

and this certificate is issued pursuant to section 23 (1) of the said Act.

Given under my hand at Hyderabad this 23rd day of December (One thousand nine hundred
and eighty seven)

SEAL
Registrar of Companies
Andhra Pradesh

Sd/-
(R.K. BHATTACHARJEE)
Registrar of Companies
Andhra Pradesh



Certificate for Commencement of Business

Co. No. 2521

Pursuant of Section 149 (3) of the companies Act, 1956

I hereby certify that the NAGARJUNA CEMENTS LIMITED which was incorporated under the Companies Act 1956, on the 10th day of september 1979, and which has this day filed a duly verified declaration in this prescribed form that the conditions of section 149 (1) (a) to (d)/149 (2) (a) to (c) of the said Act, have been complied with is entitled to commence business.

Given under my hand at HYDERABAD this 5th day of October One thousand nine hundred and Seventynine (13th Asvina 1901 Saka)

SEAL
Registrar of Companies
Andhra Pradesh

Sd/-
(V. S. RAJU)
Registrar of Companies
Andhra Pradesh



FORM I. R.

CERTIFICATE OF INCORPORATION

No. 2521 of 1979-80

I hereby certify that NAGARJUNA CEMENTS LIMITED is this day Incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is limited.

Given under my hand at HYDERABAD this TENTH day of september one thousand nine hundred and SEVENTY NINE. (19th Bhadra 1901 Saka).

SEAL
Registrar of Companies
Andhra Pradesh

Sd/-
(V.S. RAJU)
Registrar of Companies
Andhra Pradesh

**INCORPORATED
UNDER THE COMPANIES ACT, 1956
(1 OF 1956)
(A COMPANY LIMITED BY SHARES)**

MEMORANDUM OF ASSOCIATION

Of

NCL INDUSTRIES LIMITED

- I. The Name of the Company is NCL INDUSTRIES LIMITED.
- II. The Registered Office of the company will be situated in the State of Andhra Pradesh.
- III. The Objects for which the Company is established are :
 - A. **THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY UPON ITS INCORPORATION ARE**
 1. To produce, manufacture, refine, prepare, import, export purchase, sell and generally to deal in all kinds of Portland Cement (Portland Pozzolona cement Portland slag Cement, Portland rapid hardening cement Portland high alumina, Portland oil well cement, special cement, masanory cement; lime pozzolona cement etc) cement products of any description (Pipes, poles, asbestos, sheets, blocks, tiles, garden wares etc..) lime, lime stone, calcium carbonate, carbide, gypsum kankar and or by products, allied chemicals thereof, and in connection there with to take on lease or acquire, erect, construct, establish, operate and maintain cement factories, quarries, workshops and other works.

2. To carry on in India or elsewhere the trades and business of the survey, prospecting and providing of cement grade lime stone deposits, asbestos and to start consultancy services for technical managerial and marketing to Cement Industry.
3. To carry any business relating to manufacture fabrication and sale of various machineries and their components, spares for the Cement industry.
- 3A. To promote, establish, manage, develop, own and run ceramic industries.
- 3B. To manufacture, process, import, export and deal in all kinds of ceramic products and their raw materials, other minerals and related machinery.
4. To Carry on the business of generation of electric power from the thermal, hydel, nuclear, gas, naphta, Solar, wind or other conventional and non-conventional resources for captive consumption and also to engage in transmission, distribution and sale of electric power.

B. THE OBJECTS INCIDENTAL AND ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS ARE :

1. To deal and manufacture in pre-fabricated material houses and other buildings.
2. To enter into partnership or into any arrangement for sharing profits, union of interest co-operation, Joint Venture, reciprocal concessions of otherwise either in part or whole with any person or company, or companies, foreign or otherwise, carrying on or engaged in or about to carry on of engaged in any business or tansactions capable of being conducted so as directly or indirectly to benefit this Company.
3. To buy, take on lease, reclaim or otherwise acquire and to sell, let out on lease, rent or exchange or otherwise dispose of or deal in land, orchards, plantations, groves, forests, water courses, Reservoirs ponds, buildings and hereditaments and other property movable or immovable and to make advances on the security of such lands, orchards plantations, groves, forests, water courses, reservoirs, ponds buildings hereditaments and other property movable and immovable or interest therein.
4. To establish, appoint regular and discontinue offices, agents, representatives, distributors or retailers in such places as the Company may from time to time determine for carrying out all or any of the Company's objects and to act as agents for others.
5. For any of the purpose, of the Company to carry on all or any of the business of importers, exporters; freighters, ship owners, Charters of ship or other vessels, warehousemen, merchants, carriers, forwarding agents and whartingers.
6. To experiment and to incur expenses necessary for the purpose with a view to improve on the present method and process of working the Several business which the Company authorized to carry on and to carry on research for improving developing or effecting economy and greater efficiency in the various substances, materials and articles and things or with any of the business for which the company is established.
7. To purchase, own take on leaser or in exchange or otherwise acquire and undertake all or any part of the business, rights, privileges, property liabilities of and to amalgamate or enter into partnership or into any arrangement for sharing profits, union on interest co-operation, joint

venture, reciprocal concessions or otherwise with any company having objects altogether similar or in part similar to these of the company and to lend or guarantee the performance of contracts of or subsidise or otherwise assist any such company for such consideration and on such terms as may seem expedient.

8. To promote establish, undertake, from and to interested in, and to apply for acquire, hold and dispose of shares, in any institution, business, firm, company, partnership, joint venture, industrial trading or manufacturing or company having objects altogether similar or in part similar to those of the company carrying on any business capable of being conducted so as directly or indirectly to benefit the Company and to subsidise or assist any industry or undertaking financially or otherwise by issuing or subscribing for or guaranteeing the subscription and issue of shares, stock, debentures, debenture-stock or other securities of such industry or undertaking.
9. To apply for, purchase or otherwise acquire any patents, brevets d'invention, processes, copy rights, trade marks, concessions licenses and the like subject to royalty or otherwise, conferring an exclusive or non exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company and to use, exercise, develop, work, manage, sell, let, grant licences in respect of or otherwise turn to account or deal with the property rights and information so acquired or otherwise belonging to the company.
10. To subscribe for purchase or otherwise acquire, hold, sell, exchange dispose of and deal in and to give any guarantee of whatever description to the stocks, shares, bonds, debenture stock, scrips or other securities or obligations of any company or of any authority, supreme public municipal, local or otherwise and to invest and deal with the funds of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
11. To borrow, or raise money in such manner and on such terms as the company shall think fit and to secure the repayment of any money borrowed, raised or owing, by mortgage, charge or lien upon the whole or any part of the Company's property or assets, both present and future including its uncalled capital and also by a mortgage, charge or lien to secure and guarantee the performance by the Company of any obligations or liability it may undertake.
12. To enter into any arrangement with any Government or authority, supreme, public, municipal, local or otherwise and to obtain from any such Government or authority any rights concessions and privileges that may seem conducive to the Company's objects, or any of them and to carry out, exercise and comply with any such arrangements rights concessions and privileges.
13. To lend or advance or deposit moneys belonging or entrusted to or at the disposal of the Company or give credit to any company and in particular to customers of and other having dealing with the company with or without security, on such terms as may seem expedient, and to draw, make, accept, endorse, discount and execute and issue bills of exchange, promissory notes, hundies, debentures, bills of lading and other negotiable or transferable instruments or securities, but not to do the business of banking Regulations Act 1949.
14. To apply or join in applying to and obtaining from any Parliament or legislative authority or Government, or any Supreme, public local, municipal, or other authority or body or with any

land holders or other persons. for any Acts of Parliament, or other Acts of Legislature, laws, decrees, concessions, orders, rights or privileges or authority that may seem conducive to the Company's objects or any of them or, may seem expedient to obtain any provisional order or Act or Parliament for enabling the Company to carry any of its objects into effect.

15. To make such arrangements as the Company may deem fit for the holding of any- property of the Company in the name of Trustees or a Trustee for the Company.
16. To let, sub-let or give on lease, rent or hire, any part on of land, factory, mill, warehouse, tanks, chawls or other buildings or structures.
17. To sell, improve, manage, develop, exchange and enfranchise, mart gage, dispose of, turn to account, or otherwise deal with the whole or any part of the under-taking, business or property or sites of the Company either together or in such portion and for such considerations as the Company may think fit.
18. To establish such competitions as may be lawful for any of the purposes of the Company and to offer and grant prizes, awards and premiums of such character and on such terms, which may seem expedient.
19. To advertise and publicise or promote, the sale of any goods, articles or things produced, manufactured traded or dealt in a manner as may be deemed expedient including advertising in the press, pasting of bills, the issue (If publication of circulars, pamphlets, price-lists, leaflets, catalogues, brochures or by the distribution of mementos, gifts and other articles.
20. To remunerate any person firm or company rendering or agreeing to render services to the Company and to pay for any business property or rights, acquired by the company either by cash payment or by the issue and allotment to him or them of shares or securities of the Company credited as paid-up in full or in part or otherwise as may seem expedient.
21. To pay all costs, charges and expenses, preliminary and to incidental to and of the promotion, formation, establishment and registration of the Company and of the transfer to the Company of any property acquired by the Company.
22. Subject to the provisions of Section 293 and 293-A of the Companies Act, 1956, to support, subscribe or contribute or otherwise to assist or guarantee money for any charitable, benevolent, religious institutions or any other institutions or objects or any exhibition or for any public general or useful object.
23. To establish and support or to aid in the establishment and support of associations institutions or conveniences calculated to benefit the employees or ex-employees of the Company or its predecessors in business, or the dependents or connections of such person, and to grant pensions and allowances and to make payments towards insurance of any kind or to give any participation in profits of the Com-pany to persons employed by the Company or any of them.
24. To provide for and furnish or secure to any member or customers or the Company any chattels, conveniences, advantages, benefits or special privileges which may seem expedient either gratuitously or otherwise.
25. To acquire and amalgamate having objects altogether or in par similar to these of the whole or any part of the business goodwill and assets of any persons, firm or company this company and

as part of the consideration for such acquisition to undertake all or any of the liabilities of such persons, firm or company or to acquire an Interest in, amalgamate with or enter into any arrangement for sharing profits or for co-operation or for limiting competition or for mutual assistance with any such persons, firm or company and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired any shares, debentures, debenture stock or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debentures, debenture stock securities so received.

26. To establish, provide maintain and conduct or otherwise subsidise research laboratories and experimental workshops, for scientific and technical researches or inventions by providing subsidising endowing or assisting Laboratories, workshops, libraries, lectures, meetings and conferences and by providing or contributing to the award of scholarships, prizes, grants of otherwise generally to encourage, promote and reward studies researches, investigations, experiments, test and invention of any kind that may be considered likely to assist any business which the Company is authorised to carry on.
27. To issue or guarantee the issue or the payment of interest on the shares, debentures, debenture stocks or other securities of obligations of any company or association and to pay or provide for brokerage, commission and underwriting in respect of any such issue.
28. To pay out of the funds of the Company, all expenses which the Company may lawfully pay with respect to the issue of its capital including brokerage commission for obtaining applications for underwriting or procuring shares or debentures or other securities of the Company.
29. To agree to refer to arbitration and to refer to arbitration disputes present or future between the Company and any other company, firm or individual and to submit the same to arbitration to an arbitrator in India or abroad and either in accordance with Indian or any other Foreign system of law.
30. To procure the registration or other recognition of the company in any country, state or place and to establish and regular agencies for the purpose of the Company's business and to apply, or join in applying to any Parliament, Government, Local Municipal or other authority or body or any Acts or Parliament, Law, Decree concessions, orders, rights, or privilege that may seem conducive or applications which may be calculated directly or indirectly to prejudice the Company's interest.
31. To train or pay for the training in India or abroad of any of the Company's employees or any candidate in the interest of or for furtherance of the Company's objects.
32. To carry on any business or branch of a business which this Company is authorised to carry on by means of or through the Agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on, or for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangements, which may seem desirable, with reference to any business or branch so carried on, including power at any time either temporarily or permanently to close any such business or branch and to appoint Directors or Managers of any such subsidiary Company.

33. To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the Company and to obtain and justify public confidence and to avert or minimize financial disturbances, which might effect the Company.
34. To establish and maintain and procure the establishment and maintain and procure the establishment and maintenance of any non-contributory or contributory pension superannuation schemes or funds of for the benefit of and to give or procure the giving of donations, gratuities, pensions, allowance or emoluments, and to make or procedure the making of any gifts to any persons who are or were at any time in the employment or service of the Company or of any company which is a subsidiary of the company or is allied to or associated with the Company or with any such subsidiary company or who are or were at any time Directors or officers of the Company of any such other company as aforesaid and the wives, widows, families and dependants of such persons or any person or persons or class of persons in whose welfare Company or any such other company aforesaid is or has been at any time interested or any other person or persons or class, of persons selected by the Company and also to establish and subsidise or subscribe to any Trusts, Foundation, Settlements, institutions, associations, clubs, or fund, for the purposes, and or calculated to fulfill the purposes aforesaid and or calculated to be for the benefit of or to advance the interest and well being of the company or to advance the interest and well being of the company or its members, employees, officers, directors, (whether past or present) or of any such other company as aforesaid and to subscribe and guarantee money for charitable and benevolent objects or for any exhibition or for any public, general or useful object and to do any other matter, aforesaid either alone or in conjunction with any such other company as aforesaid.
35. In the event of winding up of the company subject to Section 511 of the Act to distribute in specie or otherwise as may be resolved any property or assets of the Company including Shares debentures, or other securities of any other Company formed to take over the whole or any part of assets or liability of the Company so that no distribution amounting to a reduction of capital made except with the sanction (if any for the time being required by law or upon liquidation).
36. To give any officers, servants or employees of the Company any share or inte-rest in the profits of the Company's business or any branch thereof, and whether carried on by means or through the agency of any subsidiary company or not, and for that purpose to enter into any arrangements the Company may think fit.
37. To vest any real or personal property, rights or interest required by or belonging to the Company in any person or Company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.
38. To act as agents or brokers and as trustees for any other person* or company and to undertake and perform-sub-contracts and to do all or any of the above things in any part of the world and as principals, agents, contractors, trustees or other-wise and by or through agents, sub-contracts or trustees or otherwise and either alone or jointly with others.
39. To confer upon any encumbrancer or trustee for any encumbrances of un-called capital, such powers of making and enforcing calls and of voting the transfer of shares not fully paid-up as may be thought fit

40. To open and keep a register or registers in any country or countries where it may be deemed advisable to do so, and to allocate any number of shares in the Com-pany to such register or registers.
41. Generally to do all such other things as may appear to be incidental and in any way Conducive to the attainment of the above objects or any of them.

C. OTHER OBJECTS

42. To carry on the business relating to the winning and working of raw materials, production, manufacture and preparation of any other materials which may be usefully or conveniently combined with engineering or manufacturing business of the Company or any contracts undertaken by the Company.
43. To carry on the business of Agriculture, horticulture, pisceiculture, sericulture, dairy, poultry and other types of forming and other operations incidental to con-nected there with.
44. To act as representatives, distributors, agents or brokers whether sale or for a particular territory of any firm or company whether Indian or Foreign and to appoint representatives, distributors, agents or brokers whether sole or for diffe-rent territories of the goods produced, Imported or purchased by the Company on such terms and conditions as the Company shall think fit.
45. To construct buildings for self use or for rental purposes in Andhra Pradesh or in any part of the country.
46. To purchase oil seeds and produce refined oils and to take up various types of marine engineering Jobs.
47. To collect milk, milk products and manufacture and Market various milk products.
48. To start run educational institutions like elementary, middle and high schools, Colleges and technical institutions.
49. To Manufacture, produce use buy and sale and otherwise deal in organic and inorganic chemicals of every nature.

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

V.

- A. ** The authorized share capital of the Company is Rupees Sixty Two Crores (Rs.62,00,00,000) dividend into 6,20,00,000 Equity Shares of Rupees Ten (Rs. 10/-) each to be increased or reduced in accordance with relevant provisions of the Companies Act, 1956.

Amended as per the order of Hon'ble High Court of Andhra Pradesh dated 13th March, 2007 sanctioning the scheme amalgamation.

- B) The share capital of the Company (whether original, increased or decreased) may be sub-divided. Consolidated or divided into such classes of shares as may be allowed under the law for the time being in force relating to companies with such privileges or rights as may be attached and to beheld upon such terms as may be prescribed by the Articles of Association of the Company.

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

Sl. No.	Signature Name, Address, description and occupation of subscribers	No. of Equity shares taken by each subscriber	Name, address, description, occupation and signature of witness
1.	S. VISWANATHA RAJU, S/o Krishnam Raju Vissannapeta, Krishna Dt. Contractor : Sd/-	100 (Hundred)	(Sd.) N. RAMA RAJU S/o. Laxmipathi Raju Chartered Accountants 5-8-512/18, Chirag Ali Lane, Hyderabad.
2.	VINODRAI V. GORADIA S/o Vachhraj 25/9, Kanak Kunj, Behind Aurora Cinema, Matunga, Bombay – 19. Chemicals Dealer : Sd/-	10 (Ten)	
3.	DESI RAJU, SEETHARAMA DUTT, S/o. Hanumantha Rao 105, Adarshnagar, Hyderabad - 500 040. Company Director : (Sd/-)	100 (Hundred)	
4.	K. RAMACHANDRA RAJU, S/o. Suryanarayana Raju 29-107, Moula Ali, Hyderabad - 500 040. Company Director : (Sd/-)	100 (Hundred)	
5.	G. SOMA RAJU, S/o. Narayana Raju 32-1/1, Moula Ali, Hyderabad - 500 040 Company Director : (Sd/-)	100 (Hundred)	
6.	K. RAVI, S/o. Ramachandra Raju 29-107, Moula Ali, Hyderabad - 500 040. Company Director : (Sd/-)	10 (Ten)	
7.	R. RANGAYYA, S/o. Ramaiah 24/2 RT, LIGH Quarters, Lalapet, Hyd.-789 Company Director : (Sd/-)	10 (Ten)	
8.	K. JANAKI RAMARAJU, S/o. Suryanarayana Raju 29-107, Moula Ali, Hyderabad - 500 040. Company Director : (Sd/-)	10 (Ten)	
9.	G. VENKATA DURGA RAJU, S/o Raghava Raju 32/51, Upparguda, Hyderabad - 500 040. Company Director : (Sd/-)	10 (Ten)	

Total No. of shares taken

450 (Four Hundred and Fifty)

Dated this 17th day of August 1979, at Hyderabad.



NCL INDUSTRIES LTD

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
NCL INDUSTRIES LIMITED

Preliminary

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company so far as they are applicable to a Public Company except so far as they have been impliedly or expressly modified by what is contained in these Articles.

Share capital

2. In terms of Section 55 of the Companies Act 2013, the Company may issue Preference Shares which are liable to be redeemed within the periods as may be prescribed by the Act.
3. The Company may issue Sweat Equity Shares to the Directors and employees subject to the compliance of the provisions of Section 54 of the Act and the Listing Regulations.

Directors

4. The number of Directors of the Company shall not be less than three nor more than 15.
5. The Board may, pursuant to any agreement with any person or agency providing loans or financial assistance to the company, confer the right on such person or agency to appoint any person(s) as nominee director(s) on the Board, and such nominee directors shall hold office in accordance with the agreement, subject to fulfillment of other provisions of the Act.
6. The Directors, including non executive Directors may be paid remuneration in the form of salary, commission and sitting fees as may be decided by the Board, within the ceilings as may be prescribed under the Act.
7. In terms of Section 161(2) of the Act, the Board appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India:

Compliance with Listing Regulations

8. All the provisions which are required to be included in the Articles of Association as required by the Listing Regulations from time to time will be deemed to have been included in, and forming a part of these Articles. In the event of any conflict between the provisions of the Listing Regulations and these Articles or Table F to Schedule I to the Companies Act, 2013, the provisions of the Listing Regulations shall prevail, so long as such provisions are not inconsistent with the Act itself.

INCORPORATED
UNDER THE COMPANIES ACT, 1956
(1 OF 1956)
(A COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION
Of
NCL INDUSTRIES LIMITED

1. GENERAL

1. No regulations contained in Table A, in the First Schedule to the Companies Act, 1956, or in the Schedule to any previous Companies Act, shall apply to this Company, but the regulation for the management of the Company and for the observance of the Members thereof and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to its regulations by Special Resolution, as prescribed by the said Companies Act, 1956 be such as are contained in these Articles.

INTERPRETATION

2. In the interpretation of these Articles unless repugnant to the subject or context
"The Company" or "this Company" means NCL Industries Limited. "The Act" means "The Companies Act 1956" or any statutory modification or reenactment thereof for the time being in force "Auditors" means and includes those persons appointed as such for the time being by the company.

"Board" means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board.

"Capital" means the share capital for the time being raised or authorised to be raised, for the purposes of the company.

"Debenture" include Debenture Stock.

"Dividend" includes Bonus.

"Directors" means the Directors for the time being of the Company or the case may be, the Directors assembled at a Board.

Words importing the masculine gender also include the feminine gender.

"In writing" and "written" include printing, lithography and representing or reproducing works in a visible form.

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

"Meeting" or "General Meeting" means a meeting of Members.

"Annual General Meeting" means General Meeting of the Members held in accordance with the provisions of Section 166 of the Act. "Extraordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

"Month" means a calendar month.

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

"Paid-up" includes credited as paid-up.

"Persons" includes corporations and firms as well as individuals.

"Register of Members" means the Register of Members to be kept pursuant to the Act.

"The Registrar," means the Registrar of Companies, Andhra Pradesh.

"Secretary" includes a temporary or assistant Secretary and any persons appointed by the Board to perform any of the duties of a Secretary.

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

"Share" Means share in the Share Capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied.

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

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

Save as aforesaid any words or expressions defined in the Act shall, if not inconsistent with the subject or context bear the same meaning in these Articles.

II. SHARE CAPITAL

3. (a) The authorized share capital of the Company is Rupees Sixty Two Crores (Rs.62,00,00,000) divided into 6,20,00,000 Equity Shares of Rupees Ten (Rs. 10/-) each to be increased or reduced in accordance with relevant provisions of the Companies Act, 1956.
Amended as per the order of Hon'ble High Court of Andhra Pradesh dated 13th March, 2007 sanctioning the scheme amalgamation.
- (b) The Company shall have power to issue Preference Shares including redeemable preference shares in accordance with provisions of section 80 and 85 or any statutory modifications thereof.
- (c) Where at any time subsequent to the first allotment of shares it is proposed to increase the subscribed capital by the issue of new shares, subject to any directions to the contrary which may be given by the Company in general meeting and subject only to these directions such new shares shall be issued in accordance with the provisions of section 81 of the Act, or any statutory modification thereof.
- (d) The Company shall have power to issue shares at a discount, but in doing so, the Company shall comply with the provisions of Section 79 or any statutory modifications thereof.
- (e) The Company shall have power to issue shares at a premium, but in doing so, the Company shall comply with the provisions of Section 78 or any statutory modification thereof.
- 3A. Save as permitted by Section 77, 77A, 77AA, 77B and 79 of the Act, the funds of the Company shall not be employed in the purchase of or lent on the security of shares of the company and the the Company shall not give, directly or indirectly any financial assistance, whether by way of loan, guarantee, the provision of security or otherwise, for the purpose of or in connection with any purchase of or subscription for shares in the Company or any Company of which it may, for the time being, be a subsidiary.
4. "Subject to the provisions of the Act and of these Articles the shares of the Company shall be under the Control of the Board of Directors who may allot or otherwise dispose of the same to such person on such terms and conditions and either at a premium or at par as they think fit PROVIDED THAT the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.
5. Subject to the provisions of the Act and these Articles the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property or assets of any kind whatsoever (including good-will of any business) sold or transferred, goods or machinery or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued shall be deemed to be fully paid up or partly paid-up shares as aforesaid. The Directors shall cause returns to be filed of any such allotment as provided, by Section 75 of the Act.

III. ALTERATION OF SHARE CAPITAL

6. (1) The Company shall have power to alter the conditions of the memorandum as follows, that is to say, it may:
- (a) increase its share capital by such amount as it thinks expedient by issuing new shares:
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:
 - (c) sub-divide its shares or any of them into shares of smaller amount than is fixed by the memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived:
 - (d) cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled provided however the cancellation of shares in pursuance of the exercise of this power shall not be deemed to be a reduction of share capital within the meaning of the act.
 - (e) convert all or any of its paid up shares into stock and reconvert any stock into paid up shares of any denomination.
6. (2) The Company may, from time to time, by Special Resolution reduce its capital by way of buy back of its shares or as may be allowed by law and Capital Redemption Reserve Account or Share Premium Account in any manner and subject to any incident authorised and Consent required by law.
7. The Company shall have power :
- (a) To reduce any share premium account in accordance with the provisions of section 78 read with section 100 or any statutory modifications thereof:
 - (b) to reduce any capital redemption reserve fund in accordance with section 80 read with Section 100 or any statutory modifications thereof:

IV. PAYMENT OF COMMISSION AND BROKERAGE

8. (a) The Company may exercise the powers of paying commission 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 Section 76 or any statutory modifications thereof:
- (b) The rate of commission shall not exceed the maximum percentage provided for in section 76 or any statutory modifications thereof.
- (c) The commission may be satisfied by payment of cash or the allotment of fully or partly paid up shares or partly in one way and partly in the other.
- (d) The Company may also on any issue of shares, pay such brokerage as may be lawful.

V. VARIATION OF SHARE HOLDERS RIGHTS

- 9 (a) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the share of that class) may subject to the provisions of sections 106 and 107 and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.
- (b) Subject to the provisions of Section 170 (2) and (b) or any statutory modifications thereof, to every such separate general meeting, the provisions of these Resolutions relating to General meetings shall mutatis mutandis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued shares of the class in question.
- (c) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari pasu therewith.

VI. RIGHTS OF PREFERENCE SHARE HOLDERS:

- 9 (i) (a) The preference shares shall confer the rights on the holders thereof to be paid out of any profits that may at any time be determined to be distributed among members a fixed cumulative dividend "at the rate not exceeding that percentage notified by the Central Government from time to time and as may be determined by the Board and also subject to the terms and conditions of the issue" free of Company's tax (but subject to deduction of taxes at source at the prescribed rates) on the capital for the time being paid up thereon in priority to the equity shares.
- (b) The preference shares shall confer the rights on the holders thereon, on winding up, to a repayment of the capital and of any arrears of the fixed cumulative dividend set out in clause (a) above, whether earned, declared or not, upto the commencement of the winding up in priority to the equity shares, out of the surplus assets of the Company, but shall not confer any further rights to participate in the profits or assets of the Company.
- (c) In calculating any fixed percentages on the paid up capital of such preference shares, such percentage shall be calculated upto and as on the date of redemption and in respect of interim dividends as on and upto the date of declaration of such interim dividend by the Board.
- (d) To preference shares shall be redeemable at par on the expiry of 12 years from the date of allotment thereof, but the Company may at its option and at any time after 10 years from the date of allotment of such preference shares, on giving not less than three months' notice to the holders of such shares redeem at par the whole or any part of the said shares together with a sum equal to the arrears: if any of the fixed cumulative dividend thereon whether earned, declared or not upto the date of redemption thereof out of the

monies of the Company which may lawfully be applied for that purpose provided that if the Company shall at any time determine to redeem a part only of such shares for the time being outstanding, the shares to be redeemed shall be determined by a draw to be made in such manner as may be decided by the Board of Directors, provided further that,

- i) in the event of the Company creating and/or issuing in future any further preference Shares ranking *pari passu* with or subordinate to the said Preference shares, it would do so only with the consent in writing of the holders of not less than three fourths of the said Preference shares then outstanding or with the sanction of a special Resolution passed at a separate meeting of the holders of the said preference shares then outstanding.
 - ii) In the event of the Company creating and/or issuing preference shares, in future ranking in priority to the' redeemable preference shares, it should do so only with the consent in writing of the holders of the redeemable Preference shares then outstanding or with the sanction of a special resolution passed at a separate meeting of the holders of such redeemable preference shares.
- (e) The Company shall forthwith give to the holders of the said shares liable for' redemption notice in writing of its intention to redeem the same and fix a time and place for the redemption and surrender of the Certificates of the shares so to be redeemed.
 - (f) At the time and place so fixed each holder of such share shall be bound to surrender to the Company the Certificates for his shares to be redede-med and the Company shall pay to him the amount payable in respect of such redemption and, where any such Certificate comprises any shares which are not liable *for* redemption the Company shall issue to the holder thereof, a fresh Certificate.
 - (g) The voting rights of the persons holding the said shares shall be in accordance with the provisions of Section 87 or the Companies Act, 1956.

VII. TRUSTS ENTRY IN REGISTER OF MEMBERS

- 10. Subject to section 49 of the Act and without prejudice to the provisions of section 42 (2) (b) or any statutory modifications thereof, 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 any other rights in respect of any share except an absolute right thereto in the registered holders.

VIII. CERTIFICATES

- 11. (a) The Certificate of title to shares shall be issued under the Seal of the Com-pany and shall be issued, sealed and signed in conformity with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 or any statutory modification or re-enactment thereof for the time being in force. Any two or more joint allottees or owners of a share shall, for the purpose of this Article, be treated as a single member and the Certificate of

any shares may be delivered to anyone of such joint allottees or owners on behalf of all of them. The Company shall comply with the provisions of Section 113 of the Act. .

- (b) The Company shall, within two months after the allotment of any of its shares, debentures or debenture stock, and within one month after the application for the registration of the transfer of any such shares, debentures or debenture stock complete and have ready for delivery the Certificates of all shares and debentures and the Certificates of all debenture stock allotted or transferred, unless the conditions of issue of the shares, debentures or debenture stock otherwise provide.
- (c) (1) The Board of Directors may renew a share Certificate or Issue a duplicate of a share Certificate, if such share certificate,
 - i) is proved to have been lost or destroyed or
 - ii) having been defaced or mutilated or torn is surrendered, to the company, or
 - iii) is old, decrepit or worn out where the cages on the reverse for recording transfers are fully utilised.
- (2) The Company shall observe such rules and conditions as may be prescribed by the Government or required by the Stock Exchanges on which the shares are listed for renewal of share Certificates or issue of duplicate share Certificates.
- (3) The Company shall not charge any fee for sub-division or consolidation of share and debenture certificates or for sub-division of letter or allotment or for splitting, consolidation or renewal of pucca transfer receipts into denominations corresponding to the market units of trading or for issue of new certificates in replacement of those which are old or worn out, or where the cages on the reverse for recording transfers have been fully utilised.
- (4) The Company shall not charge any fees for issue of new certificates in replacement of those which are torn, defaced, lost or destroyed or for sub-division or consolidation of shares and debentures certificates or for sub-division of letter of allotment or for splitting, consolidation or renewal of pucca transfer receipts into denomination other than those fixed for the market units or trading.

IX. CALLS ON SHARES

- 12. (a) i) The Board may from time to time make call upon the member 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-half of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- ii) Each member shall, subject to receiving at least thirty days notice specifying the times or time and place of payment, pay to the Company at the time or times and place so specified the amount called on his shares.
 - iii) A call may be revoked or postponed at the discretion of the Board.
- (b) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
 - (c) The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
 - (d)
 - i) If a sum called in respect of a share is not paid before or on the day appointed for payment there of the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 18% per annum or at such lower rate, if any, as the Board may determine.
 - ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
 - (e)
 - i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium, shall, for the purpose of these Regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
 - ii) In case of non-payment of such sum all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or other-wise shall apply as if such sum had become payable by virtue of a call duly made and notified.
 - (f) The Director may, if they think fit, accept from any member, the whole or a part of the amount unpaid on any shares held by him although no part of that amount has been called up and in respect of the money so accepted or so much thereof as from time to time exceeds the amount of calls then made upon shares in respect of which such payment has been accepted the company may at the option of the Directors, pay interest at such rate as the directors may determine but the member shall not be entitled to any dividend or right to participate in the profits or voting right in respect of excess of call money so paid by him until the same would, but for such payment become presently payable."

"PROVIDED that any amount be paid up in advance of calls on any shares such amount may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits".

- 13. (a) "The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest

in any share shall be created except upon the footing and condition that Article 10 hereof" will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause".

- (b) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made:

- i) unless the sum in respect of which the lien exists is presently payable. or.
 - ii) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share of the person entitled thereto by reason of his death or insolvency.
- (c) i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof,
- ii) The purchaser shall be registered as the shareholder of the shares comprised in any such transfer.
- iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (d) i) The proceeds of the sale shall be received by the Company and applied after payment of the costs of such sale, in payment of such part of the amount in respect of which the lien exists as is presently payable.
- ii) The residue if any, shall subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of sale.
- (e) No member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company, has and exercised any right of lien.
- (f) Where any shares under the power in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered to the company by the former holder of such shares, the Board may issue a new certificate for such shares distinguishing it in such manner as it may think fit for the certificate not so delivered.

X. FORFEITURE OF SHARES

14. (a) If a member fails to pay any call or installment 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 installment remains unpaid. serve a notice on him requiring payment of so much of the call or installments as is unpaid together with any interest which may have accrued.
- (b) The notice aforesaid shall :
- i) name a further day (not earlier than the expiry of thirty days from the date of service of notice) on or before which the payment required by the notice is to be made and
 - ii) 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 will be liable to be forfeit -
- (c) If the 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 a 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 forfeiture subject to the provisions of section 205 A of the Companies Act.
- (d) i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- ii) At any time before a sale or disposal as aforesaid, the Board, may cancel the forfeiture on such terms as it thinks fit.
- (e) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay and shall forth with pay to the company all calls or installments, Interest and expenses, owing upon on in respect of such shares at the time of the forfeiture together with interest thereon, from the time of forfeiture until payment at 18% per annum and the board may enforce the payment thereof, or any part thereof without any deduction or allowance for the value of the shares at the time of forfeiture but shall not be under any obligation to do so.
- (f) i) A duly verified declaration in writing that the declarant is a Director the Manager or Secretary of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of facts therein stated as against all persons claiming to be entitled to the share.
- ii) The Company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.
- iii) The transferee shall thereupon be registered as the holder of the share.
- iv) The transferee shall not be bound to see to the application of the purchase money. if any, nor shall his title by the shares be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

- g) 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, become payable at a fixed time whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
- h) The forfeiture of share shall involve the extinction of all interests in and also of all Claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

XI. TRANSFER AND TRANSMISSION OF SHARES

- 15. In registering transfer and transmission of shares the Company shall comply with the provisions of sections 108, 110, 111, 112 and 250 of the Act or any statutory modifications thereof
- 16. (a) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and the transferee. 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.
- (b) Shares in the Company shall be transferred in the form prescribed by the Companies (Central Government's) Genral Rules and Forms, 1956. The Company shall not charge any fees for registration of transfer. The provisions of Sec. 108 and any amendments thereof for the time being in force, shall be complied with in respect of all transfer of shares and registration thereof.
- (c) Subject to the provisions of Sec 111 A of the Securities Contracts (Regulations) Act, 1956, the Directors may in their absolute and unqualified discretion decline to register any transfer of shares without assigning any reason. The Directors may also decline to recognise any instrument of transfer unless it is accompanied by the Certificate of the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer PROVIDED that the registration of a transfer shall not be refused on the ground of the transferor, being either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except a lien on the shares.
- (d) The Board may also decline to recognise any instrument of transfer unless:
 - i) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as Board may reasonably require to show the right of the transferor to make the transfer; and
 - ii) The instrument of transfer is in respect of only one class of shares
- (e) The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.

Provided that such registration shall not be suspended for more than thirty days at anyone time subject to notice being given by 30 days and not more than 45 days in any year and provisions of Section 154 of the Act shall be complied with.

- (f) The company shall not charge any fees for the registration of any probate, letters of administration, Certificate of death or marriage, power of attorney, etc.

16A. DEMATERIALISATION OF SECURITIES :

1. Definitions:... For the purpose of this Article:

"Beneficial Owner" means a person whose name(s) is recorded as such with a Depository.

"Depository" means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration under sub-section (IA) of section 12 of the Securities and Exchange Board of India Act, 1992.

"Security" means such security as may be specified by the SEBI from time to time.

2. Dematerialisation of Securities:

Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form in accordance with the Depositories Act, 1996.

3. Option to hold securities

- (a) Every person subscribing to securities offered by the Company shall have the option to either receive the security certificates or to hold the securities through a depository.
- (b) If a person opts to hold his securities through a Depository, the Company shall intimate such Depository all details of such allotment and shall enter in its records.
- (c) Every person who is the beneficial owner of the securities may at any time opt out of a depository in the manner provided by the Depositories Act, 1996. The Company shall then, in the manner and within the time prescribed, issue requisite security certificates to the beneficial owner thereof.

4. Securities in Depositories to be in fungible form

- (a) All Securities held by a Depository shall be dematerialized and be in fungible form.
- (b) Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.

5. Rights of Depositories and Beneficial Owners

- (a) " Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for effecting the transfer of a security on behalf of a beneficial owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner, shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner thereof, in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.

6. Service of Documents

Notwithstanding anything in the Act or the Articles, where securities are held by 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 disc.

7. Transfer of Securities

Nothing contained in Section 108 of the Act or the Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of depository.

8. Allotment of securities dealt within a depository

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

9. Distinctive numbers of securities held in a depository

Nothing contained in the Act or the Articles, regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

10. Register and index of beneficial owners

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of the Articles.

17. (a) i) On the death of a member, the survivors or survivor where the member was joint holder and his legal representatives where he was share holder shall be the only person recognised by the Company as having any title to this interest in the share.
- (ii) Nothing in Clause (i) shall release the estate of the deceased joint-holder from any liability in respect of any share which had been jointly held by him and other persons.
- (b) 1) Any persons 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 here-in-after provided, elect either:
- i) To be registered himself as holder of the share, or
- ii) 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 has transferred the shares before his death or insolvency.
- (c) i) If the person so becoming entitled, shall elect, to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- ii) If the person aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share.

- iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- d) 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 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 units the requirements of the notice have been complied with.

- 17A. Notwithstanding anything contained in Articles elsewhere, every holder of shares or debentures of the Company may, at any time, nominate, in the manner prescribed by Section 109 A&B of the Act, a person, to whom such shares or debentures shall vest in the event of his death.

XII. BORROWING POWERS

18. a) The Company shall have power to borrow from any person or persons and secure the payment of any sum or sums of money for the purpose of the Company and the Directors may from time to time at their discretion exercise this power and may themselves lend to the Company security or otherwise provided that the Directors shall not contravene the provisions of section 293 (1) (d) or any statutory modifications thereof.

Provided further that no debt incurred or security given in excess of limit imposed by section 293 (1) (d) shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was hereby exceeded.

- (b) The Directors may raise or secure the repayment of any sums or sums in such manner and upon such terms and conditions in all respects as they may think fit and in particular by creation of any mortgage or charge on the undertaking on the whole or any part of the property present or future or uncalled capital of the Company or by the issue of bonds, perpetual or redeemable, debentures or debenture - stock of the Company charged upon all or any part of the property of the Company both present and future, including its uncalled capital for the time being.
- (c) Subject to the provisions of Section 58 A of the Act and Companies (Acceptance of Deposit) Rules; 1975 the Directors may receive deposits for such term and bearing interest at such rates as the Directors may decide from time to time. The deposits may be received from person or persons including the Directors and the shareholders of the company.

- (d) The Directors shall cause a proper register to be Kept in accordance with the provisions of section 143 of charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act with regard to the registration of mortgages and charges. The register of charges kept in pursuance of Section 143 shall be open during business hours, subject to reasonable restrictions as the Company in General Meeting may impose so that not less than two hours in each day are allowed for such inspection to any creditor or member of the Company without fee and to any other person on payment of fee of Rs.1/- for each inspection at the registered office of the Company.

XIII. DEBENTURES

19. The Company shall have power to issue debentures at a discount Premium, or otherwise and with any special privileges as to redemption surrender, drawings appointment of Directors and otherwise, but in exercising this power the provisions, of section 56- (3), 64, 67, 70 to 74, 108 to 113, 117 to 123, 128, 129, 133, 134,152,154, 170 (2) (a) and (b), 187 and 292 or any statutory modifications thereof shall be complied with. Debentures, debenture stock, Bonds or other securities conferring the right to allotment or conversion into shares or the option to right to call for allotment of shares shall not be issued except with- the sanction of the company in General meeting.

XIV. GENERAL MEETINGS

20. a) The Company shall comply with the provisions of Sections 165 to 197 or any statutory modifications thereof in the calling and conduct of the meetings.
- b) The company shall hold a general meeting of the members of the Company, which shall be called the Statutory Meeting.
- c) Without prejudice to the provisions of section 167 or any Statutory modifications thereof, the Company shall in addition to any other meetings, hold a general meeting which shall be styled the Annual General Meeting at such intervals and in accordance with the provisions of Section 166 of any statutory modifications thereof.
- d) All general meetings other than the annual general meeting Company shall be called Extraordinary General Meetings.
- e) i) The Board may whenever it thinks fit call an Extraordinary General Meeting.
- ii) If at any time there are not within India, Directors capable of acting who are sufficient in number to form a quorum, any Director or any two members of the Company may call an Extra-ordinary General Meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.
- ii) Extraordinary General Meetings may be called by the members under the provisions of Section 169 and under conditions mentioned therein or any statutory modifications thereof and by Court under conditions mentioned in Section 186 or any Statutory modifications thereof.-

- f) 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 exceptions of -
 - i) the consideration of accounts, balance sheet and the reports of the Board of Directors and auditors:
 - ii) the declaration of a dividend :
 - iii) the appointment of Directors in the place of those retiring and
 - iv) the appointment of and fixing remuneration of Auditors.
- g) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, the provisions of section 173 or any statutory modifications thereof shall be complied with.

XIV (A) NOTICES FOR GENERAL MEETINGS

- 21. (a) A General meeting of the Company may be called by giving not less than twenty one days notice in writing or after giving such shorter notice as provided for in Section 171 (2) of the Act or any statutory modification thereof.
- (b) Notice of every meeting of the Company shall be given :
 - i) To every member of the Company:
 - ii) To the persons entitled to a share in consequence of the death or insolvency of a member.
 - iii) To the auditor or auditors for the time being of the Company in the manner provided for in Section 172 of the Act or any statutory modification thereof :
- (c) Accidental omission to give notice to or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings of the meeting.

XIV. (B) CONTENTS OF NOTICE

- 22 (a) Every notice of the meeting of Company shall contain the following :
 - i) It shall specify the place, date and time of the meeting.
 - ii) It shall contain a statement of the business to be transacted therein.
- (b) 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 or proxies to attend and vote instead of himself and that a proxy need not be a member.
- (c) The company shall, in the case of a resolution to be moved as a special resolution, duly specify in the notice calling the general meeting or other intimation given to the members, of the intention to propose the resolution as a special resolution.
- (d) The Company shall in compliance with Section 190 read with 225,262,284, 330 and 379 or any statutory modifications thereof, give to its members notice of resolution requiring special notice at the same time and in the same manner as it given notice of the meeting

or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having circulation, in the State in which the registered office is situated not less than 21 days before the meeting.

- (e) Subject to the provisions of Section 225 and 284 or any statutory modifications thereof the receipt of representation if any, made under section 225 by a retiring auditor or under section 284 by a Director sought to be removed from office as a Director must be started in the notice of meeting given to the members of the Company if the representation are received in time.

XIV (C) DOCUMENTS TO BE ANNEXED TO THE NOTICE

- 23. (a) Where any items of business to be transacted at the meetings are deemed to be special in accordance with provisions of the Act, a statement setting out all material facts concerning each such item of business including in particular the nature and extent of the interest, if any, therein of every Director and the Manager if any.
 - (b) 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 mentioned above.
 - (c) A copy of every Balance Sheet including the profit and loss account the auditor's report and every other document required by law to be annexed or attached as the case may be to the Balance sheet which is to be laid before the Company in general meeting shall, not less than twenty one days before the date of meeting, be sent to every member of the Company in accordance with the provisions of Section 219 (1) of the Act or any statutory modifications thereof.
24. A copy of the representations, if any made under Section 225 by a retiring auditor or under Section 284 by a Director sought to be removed from office, shall be sent to the members of the Company as provided for in section 225 or any statutory modifications thereof.
25. Subject to the provisions of Section 188 of any statutory modifications thereof members resolution shall be circulated to the members of the Company entitled to receive notice of the next annual general meeting.
26. The Company shall give for inspection at the commencement or before the meeting the documents referred to in Sections 165 (6) 173 (3), 176 (7) and 230.

XIV. (D) REPRESENTATION AT MEETINGS

- 27. (a) 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 the Board of Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company.
- (b) The person authorised by the 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 a member.

28. (a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person or persons 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 demand or join in demanding poll.
- (b) The instrument appointing a proxy and the power of attorney authority, if any, under which it is signed or notarially certified copy of that power or authority shall be deposited at the registered office of the Company not less than 48 hours before the time of holding the meeting or adjourned meeting at which the person named in the instrument purposes to vote, or in the case of a poll, not less than 24 hours before the appointed time for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- (c) An instrument appointing a proxy shall not be questioned if it is in any one of the forms set out in Schedule IX of the Act.
- (d) A note given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal on 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 office before the commencement of the meeting or adjourned meeting at which the proxy is used.

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

XIV. (E) QUORUM

29. (a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to transact business. Five member present in person shall be a quorum.
- (b) If within half an hour from the time appointed for holding a meeting of the Company, quorum is not present, the meeting called upon by the requisition of members, shall stand dissolved.
- (c) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine,
- (d) If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting the members present shall be a quorum.

XIV. (F) CHAIRMAN OF MEETINGS

30. (a) That A.P.I.D.C. Shall have the right to nominate Directors on the Board of Directors of the Company so long as the corporation holds shares in the Company.
- (b) The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company.
- (c) 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 number to be Chairman of the meeting.
- (d) 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 number to be Chairman of the meeting in accordance with the provisions of section 175 any statutory modifications thereof.
- (e) i) The Chairman may with the consent of the members present at any meeting at which a quorum is present and shall if so directed by the members adjourn the meeting from time to time and place to place.
- ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- iii) 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.
- iv) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.
- (e) In 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 has taken place or at which the poll is demanded. shall be entitled to a second or casting vote provided he is a member entitled to vote at the meeting and on the resolution.
31. (a) Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
- (b) Where a 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 any earlier date.
- (c) On a show of hands, every member present in person shall have one vote and on a poll the voting rights of members shall be as laid down in Section 87.
- (d) Voting rights shall be exercised in accordance with the provisions of Sections 42, 87, 88, 89, 92, 117, 178, 179, 180, 182, 183 184 and 185 or any statutory modifications thereof and the Regulation (c) hereunder read with section 181.

- (e) In the case of joint holders, the vote of the senior who tenders vote whether in person or by proxy shall be accepted to the exclusion of the votes of other joint holders.

For this purpose seniority shall be determined by the order in which the names stand in the register of members.

- (f) A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may on a poll, vote by proxy.
- (g) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- (h)
 - i) 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.
 - ii) Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

- 32. At a general meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.
- 33. In the election of a Director the provisions 264 or any statutory modifications thereof shall be complied with,
- 34. In giving notice of an intention to propose a resolution as a special resolution on any matter the Company shall have regard to the provisions of sections 17, 21, 25, (2) 31, 99, 100, 146, 208, 224A, 237, 309, 314, 323, 338, 352, 356, 357, 358, 360, 370 375, and 484 or any statutory modifications thereof.
- 35. After passing of the resolution at the General Meeting of the Company the company shall comply with the provisions of sections 192, 193, 196 and 197 or any statutory modifications thereof.

XV. DIRECTORS AND BOARD OF DIRECTORS

- 36. (a) Unless otherwise determined by the Company in General meeting the number of Directors shall not be less than 3 or more than 12 inclusive of the ex-office directors, nominee directors, technical directors, special directors, debenture directors alternate directors, additional directors, corporation directors, co-opted directors, executive directors and administrative directors, if any.
- (b) Only an individual and not a body corporate, association or firm shall be appointed as a Director of the Company.

- (c) Subject to the provisions of Sections 252, 255, and 259 or any statutory modifications thereof the Company may in General Meeting increase or reduce the number of Directors within the limits fixed by Regulation 36 (a).
- (d) At the date of adoption of these Articles the following persons are the Directors of the Company namely :--
1. K. RAMACHANDRA RAJU
 2. G. SOMA RAJU
 3. D. S. DUTT
 4. S. VISWANADHA RAJU
- (e) The Board of Directors shall have power to appoint additional Directors provided such additional Directors shall hold office only up to the date of the next Annual General Meeting of the Company and provided further that the number of Directors and additional Directors together shall not exceed maximum strength fixed for the Board by the Articles,
- (f) At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration on the result of the show of hands) demanded by the Chairman of the meeting or by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than Rupees fifty thousand has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who make the demand and unless the poll is demanded a declaration by the Chairman that a Resolution has on a show of hands, been carried or carried unanimously or by a particular majority or lost, and an entry to the effect in the Minutes Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of votes recorded in favour of or against that resolution.
- (g) So long as A. P. Industrial Development Corporation holds shares in the Company the number of Directors to represent the Corporation on the Company's Board shall be in proportion to the Corporation's shareholdings in the Company with a minimum of one Director. The nominee Directors shall not be required to hold any qualification shares and at least one nominee Director shall non-rotational Director. For the purpose of reckoning the number of Directors to represent the Corporation on the Board of Directors of the Company any fraction in the number shall be rounded to the next higher number. The corporation shall also be entitled to remove and replace from time to time such nominee. Directors at its absolute discretion.
37. Subject to the Provisions of section 262 or any statutory modifications thereof the Board of Directors shall have power to fill up casual vacancies.
38. Subject to the provisions of Section 313 or any statutory modifications thereof the Board of Directors shall have power to appoint a person as alternate Director during the absence of Director for a period of less than three months in the State in which meetings of the Board are ordinarily held.

39. Not with standing any thing to the contrary contained in these Articles, so long as any monies shall be owing by the Company to industrial Development Bank of India (IDBI) or any other Financial Corporation or Company or Body (hereinafter referred to as "The Corporation") and / or so long as the Corporation holds the shares /debentures in the Company as a result of underwriting assistance granted to the Company each such Corporation shall, pursuant to an agreement between it and the Company, have the right to appoint one or more persons as Directors on the Board of Directors of the company (each such Director hereinafter referred to as "the Corporation Director) The Corporation Director shall not be required to held qualification shares and shall not be liable to retire by rotation. The Corporation may at any time and from time to time remove the Corporation Director appointed by it and may in the event of such removal and also in case of death or resignation of the Corporation Director appoint another in his place and also fill any vacancy which may occur as a result of the Corporation Director ceasing to hold office for any reason whatsoever. The Corporation Director shall be entitled to attend general meetings, Board Meetings and Committee meetings of which he is a member, and the Corporation Director as well as the Corporation shall be entitled to receive notices of all such meetings. The Cor-poration Director shall be paid normal fees and expenses to which other Directors are entitled.

In connection with any collaboration arrangement with any Company or Corpo-ration or any firm or person for supply of Technical know how and or machinery or technical advice the Directors may authorise such Company Corporation firm or person (hereinafter, in this clause referred - to - as 'Collaborator') to appoint from time to time anyone or more person(s) as Directors of the Com-pany (hereinafter referred to as "Special Director") and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director. So however, that such Special Director shall hold office so long as such Collaboration arrange-ment" remains in force unless otherwise agreed upon between the Company and such Collaborator under the Collaboration arrangements or at any time thereafter. The Collaborator may at any time and from time to time remove any such Special Director(s) appointed by it and may at the time of such removal and also in the case of death, or resignation of the person so appointed at any time appoint any other person as special Director in his place and such appointment or removal shall be made in writing signed by such Company or Corporation or any partner or such person and shall be delivered to the Company at its Registered Office. It is clarified that every Collaborator entitled to appoint a Director under these Articles may appoint one person as a Director and so that if more than one Collaborator is so entitled there may be at any time as many special Directors as the Collaborators are eligible to make the appointments, Every Collaborator entitled to appoint Directors under these Articles may appoint one or more person(s) as Director(s)

40. A person who is not a retiring Director shall not be appointed Director of the Company unless he has by himself or by his agent authorised in writing signed and filed with the Registrar his consent in writing to act as such Director,
41. Deleted (in the E G M held on 25-10-89)
42. (1) The Office of a Director shall be vacated if
- (a) He fails to obtain within the time specified in subsection (1) of Section 270. or at any time thereafter ceases to hold, the share qualification. If any, requi- red of him by the Articles of the Company;

- (b) He is found to be of unsound mind by a competent court;
 - (c) He applies to be adjudicated as insolvent;
 - (d) He is adjudged as an insolvent;
 - (e) He is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months;
 - (f) 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.
 - (g) He absents himself from these consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board.
 - (h) He, or any firm in which he is a partner or any private company of which he is a Director, accepts a loan or any guarantee or security for a loan, from the Company in contravention of section 295;
 - (i) He acts in contravention of Section 299.
 - (j) He becomes disqualified by an order of Court under section 203; or
 - (k) He is removed in pursuance of Section 284.
- (2) Notwithstanding anything in clauses (d) (e) and (j) of subsection 1, the disqualification referred to in those clauses shall not take effect.-
- (a) For thirty days from the date of adjudication, sentence or order :
 - (b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, 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 dis-qualification, until such further appeal or petition is disposed of.

43. (1) Subject to the provisions of Section 297 of the Act, a Director or his relative a firm in which such Director or relative is a partner any other partner in such a firm or a Private Company of which such Director is member or Director, may enter into a contract with the Company for the sale, purchase or any supply of goods, materials or services or for under-writing the subscription of any shares in, or debentures of the Company provided that the consent of the Directors is obtained by a Resolution passed at a meeting of the Directors before the contract is entered into or within three months of the date on which it was entered into. No such consent however, shall be necessary to any such contract or contracts for the purchase or sale of goods and materials for cash at prevailing market price or for the sale, purchase or supply of goods, materials or services in which either the Company or the Directors firm, partner or Private Company, as the case may be,

regularly trades or does business provided that the value of such goods and the costs of such services do not exceed five thousand rupees in the aggregate in any calendar year comprised in the period of the contract or contracts. The Directors so contracting or being so interested shall not be liable to the Company for any profit re-alised by any such contract or the fiduciary relation thereby established.

- (2) A Director who is in any way, whether directly, or indirectly, concerned or interested in a contract or arrangement entered into or a proposed contract or arrangement to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest in a meeting of the Board in the manner provided in Section 299 (2) of the Act, provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other Company where any of the Directors of the Company or any such other Company or two or more of them together hold not more than two percent of the paid up share capital in such other company or the Company as the case may be. A general notice given to the Board by the Director, to the effect that he is a Director or member of a speci-fied body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice be entered into with the body corporate firm, shall be deemed to be a sufficient disclosure made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired No such general notice and no renewal there of shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
- (3) No Director shall as a Director take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote, and if he does vote, his vote shall be void provided, however, that nothing herein contained shall apply to;
- (a) Any contract indemnity against any loss which the Directors, or any one or more of them suffer by reason of becoming or being sureties or a surety for the company.
- (b) Any contract or arrangement entered into or to be entered into with 8 public company or a private company which is subsidiary of a public company in which the interests of the Director consists solely :
- i) In his being:
- a) a Director of such Company, and
- b) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as Director thereof, he having been nominated as such Director by the company, or

- ii) in his being a member holding not more than two percent of its paid-up share capital.
44. Acts done by a person as director shall be valid notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provisions in the Act or in the Articles, provided that nothing in the Act 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.
45. Every director shall have such rights and powers as are provided for in Sections 209, 284, 286, 289, and 320 or any statutory modifications thereof.
46. Every director shall discharge such duties as are provided for in Sections 271, 305, 308 and 393 or any statutory modifications thereof.
47. Directors shall be subject to such civil liabilities as are provided for in Sections 71, 73, 169, 295, 314, 319 and 320 or any statutory modifications thereof.
48. Directors shall be subject to the disability provided for in Sections 275, 295, 300, 312, 314, 318, 319, 320 or any statutory modifications thereof.
49. The office of a Director shall be vacated;
- (i) On the happening of any of the conditions provided for in Sections 283 or any statutory modifications thereof.
 - (ii) On the contravention of the provision of Section 314 or any statutory modifications thereof
 - (iii) If a person is a Director of more than twenty Companies at a time.
 - (iv) If he is disqualified under Sec. 274 or any statutory modifications thereof
 - (v) In the case of alternate directors on return of the original Director, to the State, under the provisions of Sec. 313 or any statutory modifications thereof.
 - (vi) On resignation of his office by notice in writing.
50. Subject to the Provisions of the Act a director may be appointed as Manager or Secretary of the Company.

XVI. ROTATION OF DIRECTORS

51. (1) At every Annual General Meeting one third of such of the Directors for the time being are liable to retire by rotation or if their number is not three or a multiple of three then the number nearest to one third shall retire from office.
- (2) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who

became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves, be determined by lot.

- (3) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

Pursuant to Section 257 of the Companies Act, a person who is not a retiring director shall be eligible for appointment to the Office of the Director at any general meeting. If he or some member intending to propose him has, not less than 14 days before the meeting, left at the Office of the Company a notice in writing under his hand signifying his candidature for the office of the director or the intention of such member to propose him as a candidate for that office, as the case may be along with a deposit of Rupees five hundred which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.

- (4) If the place of the retiring Director is not filled up and the meeting has not expressly resolved not to fill the vacancy the meeting shall stand adjourned till the same day, in the next week at the same time and place or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.
- (5) If in the adjourned meeting also the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless.
- i) At the meeting or at the previous meeting a resolution for the appointment of such director has been put to the meeting and lost;
 - ii) The retiring Director has by a notice in writing addressed to the Company or its Board or Directors expressed his unwillingness to be so recommended;
 - iii) He is not qualified or is disqualified for appointment.
 - iv) A resolution whether special or ordinary, is required for his appointment by virtue of any provisions of the Companies Act 1956. or
 - v) The provision to sub-section (2) Section 263 is applicable to the case, where a Director is to retire at an Annual General Meeting by virtue of Clause 2 he shall be deemed for the purposes of this Article to retire by virtue of clause (2) Thereof.

XVII PROCEEDINGS OF THE BOARD

52. (a) The Board of Directors may meet for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit, provided however the Board shall meet once in every three months in accordance with the See, 285 or any statutory modifications thereof.
- (b) A Director may, and the Manager or Secretary on the requisition of a Director shall at any time summon a meeting at the Board;

- (c) The Board shall cause notice to be circulated to every Director of the Company who is for the time being in Indian in accordance with Sec. 286 or any statutory modifications thereof.
- (d) The quorum for a meeting of the Board shall be Two Directors or one-third of its total strength whichever is more as provided for in Section 287 of the Act.
- (e) The continuing Director may act notwithstanding any vacancy in its body but if and so long as their number is reduced below the quorum fixed by act for a meeting of the Board, the continuing Director or Directors 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.
- (f) The Board may elect a Chairman or its meetings and determine the period for which he is to hold office.
- (g) 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 number to be Chairman of the meeting.
- (h) The questions arising at any meeting shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have second or casting vote.
- (i) Save as otherwise expressly provided by the Companies Act, 1956, a resolution in writing signed by all the members of the Board or of a Committee thereof for the time being entitled to receive notice of a meeting of the Board or Committee duly convened and held.
- (j) All acts done by any meeting of the Board by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of Directors or persons acting as aforesaid or that they or he or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
- (k) The Company shall cause to be kept minutes of all proceedings at meetings of its Board of Directors or of committee of the Board. The minutes of a meeting shall contain a fair and correct summary of the proceedings thereat. The minutes shall also contain;
 - i) The names of Directors present at the meeting; and
 - ii) In the copy of each resolution passed at the meeting the names of Directors, if any, dissenting there from or not concurring in the resolution:
 - iii) The Directors shall cause to be kept a Register of Directors in accordance with the provisions of Sec. 306 of Companies Act, 1956, The Register aforesaid shall be open to inspection by any member of the public at any time during office hours on payment of the Prescribed fee. The Company shall also keep a Register of Directors share-holding giving the particulars required by Section 307 or the Companies Act. 1956, and otherwise conforming to the provisions of that section.

XVIII. GENERAL POWER OF THE BOARD OF DIRECTORS

53. (a) The Board of Directors shall be entitled to exercise all such power and to do all such acts and things as the Company is authorized to exercise and do.

Provided that Board shall not exercise any power or do any act or thing, which is directed or required by the Act or any other provision or law or by the Memorandum of Association of the Company or by these Articles to be exercised or done by the Company in General Meeting.

Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or any other provision of law or the Memorandum of Association of the Company or these Articles or in any regulation not in consistent therewith and duly made there under, including regulation made by the Company in General Meeting.

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

XIX. SPECIFIC POWERS OF THE BOARD

54. Without prejudice to the general powers, the Board shall have the following specific powers:

- (a) To carry out the objects and exercise the powers contained in clause 3 of the Memorandum of Association of the Company.
- (b) To have the superintendence, control and direction over Managing Director, Managers, whole Time Directors and all other officers of the Company.
- (c) To delegate subject to the provisions of Sec. 292 or any statutory modifications thereof, by a resolution passed at a meeting, to any Committee of Directors, Managing Director, or the Manager of the Company.
- i) Power to borrow money otherwise than on debentures.
- ii) The power to invest the funds of the Company.
- iii) The power to make loans.

Provided however that every resolution delegating the power in clause (i) shall specify the total amount up to which monies may be borrowed by the delegates; every resolution delegating the power referred to in clause (ii) shall specify the total amount upto which the funds may be invested and the *nature* of investment which may be made and every resolution delegating the power in clause (iii) shall specify the total amount up to which loans may be made, the purposes for which the loans may be made maximum amount of loans which may be made for each such purpose in individual cases.

Provided further that nothing in this regulation shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the purpose specified above.

- (d) To provide for the management of the affairs of Company in any specified locality in or outside India and to delegate person in-charge of the local management such powers (not exceeding those which can be delegated by the directors under these regulations).
- (e) To appoint at any time and from time to time by a power of attorney under seal, any persons authorities and discretions (not exceeding those which can be delegated by the Directors under these presents) and for such period and subject to such conditions as the Board may from time to time think fit, with power for such attorneys to sub-delegate all or any of the powers, authorities and discretions (not exceeding those which can be delegated by the Directors under these presents) and for such period and subject to such conditions as the Board may from time to time think fit, with powers for such attorneys to sub- delegate all or any of the powers, authorities and discretions vested in the attorney for the time being.
- (f) To acquire by lease, mortgage, purchase or exchange or otherwise any property rights or privileges which the Company is authorised to acquire at any such price generally on such terms and conditions as the Board may think fit and to sell, let, exchange or otherwise dispose of absolutely or conditionally any property rights or privileges and undertaking of the Company upon such terms and conditions and for such considerations as they think fit subject however to the restrictions imposed on the Board by Section 293 or any statutory modifications thereof.
- (g) To open any account or accounts with such Bank or Banks as the Board may elect or appoint, to operate on such accounts to make sign, draw, accept, endorse, or otherwise execute all cheques, promissory notes, drafts, hundies, orders, bills or exchange, bills of lading and other discharges for money payable to the Company and for the claims and demands of the Company to make contracts and to execute deeds, provided however the provisions of sec. 46, 47 and 48 or any statutory modifications thereof shall be complied with.
- (h) To appoint officer(s), clerks and servants for permanent temporary or special service as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require security in such instance and to such amount as the Board may think fit and to remove or suspend any such officers clerks and servants.
- (i) To sanction, pay and emburse to the officers of the Company in respect of any expense incurred by them on behalf of the Company.
- (j) To invest and deal with any of the monies of the Company to vary or release such investments, subject to the provisions of Section 42, 49, 77, 292, 293, 295, 369 read with Section 372 A, 373 and 379 or any statutory modifications thereof.

- (k) To refer claims of demands by or against the Company to arbitration in accordance with the provisions of section 389 or any statutory modifications thereof and observe and perform awards made thereon.
- (l) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the company and also to compound and allow time for payment of satisfaction or any debt due and of claims or demands by or against the Company and to appoint Solicitors, Advocates, Counsel and other legal advisers for such purposes or for any other purpose and settle and pay their remunerations.
- (m) To act on behalf of the Company in all matters in insolvency in which the Company is interested.
- (n) To pay and give gratuities, pensions and allowances to any person or persons including any director, to his widow children or dependants that may appear to the Directors just or proper whether any such person, widow, Children, or other dependants have or not a legal claim upon the Company and whether such person is still in the service of the Company or has retired from its service, or to make contributions to any funds and pay premiums for the purchase or provisions of any such gratuity, pension or allowance.
- (o) To establish, maintain, support and subscribe to any charitable or public object or any society institution, or club which may be for the benefit of the Company or its employees.
- (p) To set aside portions of the profits of the Company to form a fund or funds before recommending any dividends for the objects mentioned above.
- (q) To make and alter rules and regulations concerning the manner of payment of the contributions of the employees and the Company respectively to any such fund and accrual employment, suspension and forfeiture of the benefits or the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.
- (r) To exercise the powers conferred by Section 50 or any statutory modification thereof, with regard to having an official seal for use abroad.
- (s) To exercise the powers conferred on the Company by section 157, and 158 or any statutory modifications thereof with regard to the keeping of foreign registers.
- (t) To authorise any person to sell any goods or articles manufactured or produced by the Company or to purchase, obtain or acquire machinery, stores, goods or materials for the purpose of the Company, or to sell the same when no longer required for those purposes.
- (u) To exercise other powers referred to under these regulations not specifically mentioned in this regulation but referred to in other regulations in these Articles.

- (v) To determine by resolution from time to time the name of person or persons who shall be entitled to do all or any of the acts mentioned in this regulations on behalf of the Company.

XX. SPECIFIC DUTIES OF THE BOARD

- 55. (a) The Board shall call Extraordinary General Meeting on request on by members in accordance with section 169 or any statutory modification thereof.
- (b) There shall be attached to every Balance Sheet laid before the Company in General Meeting a report by the Board of Directors in accordance with the provisions of section 217 or any statutory modification thereof.
- (c) The Director's Report must also include a list showing the name of all employees of the Company who were in receipt of such amount as is notified under Sec. 217 (2A) together with the prescribed particulars inclusive of the value of perquisites. The report must also state whether any such employees is a relative of any Director or Manager of the Company and if so, the name of such Director or Manager.
- (d) The Board shall cause to be laid before the Company in General Meeting the Balance Sheet and Profit and Loss Account in accordance with the provisions of Section 217 or any statutory modifications thereof.
- (e) The Board shall cause to be kept at its Registered office Registers, Books and Documents, of the Company required to be maintained and kept open for inspection under the provisions of the Companies Act, 1956 and particularly under Sections 49, 118, 136, 143, 144, 150, 151, 152, 163, 196, 301, 302, 303, 304, 307, 356, to 360,362 and 372 and Schedule VIII to the Act, open for such inspection by the person entitled thereto during office hours, under the above said provisions to the extent, in the manner and on payment of the fees if, any specified in the aforesaid provisions at the Registered Office of the Company during office hours on any working day, except when the Registers and Books are closed under the provisions of the Companies Act, 1956 or by the Articles of Association of the Company,

Provided however that the Register required to be maintained under Section 307 of the Act shall be open for inspection of the members of holders of debentures of the Company, if any as aforesaid between the times abovementioned during the period prescribed by sub-section 5 (a) of section 307.

- (f) The Board shall cause to be sent to the Registrar as and when required the returns mentioned in Sections 17, 18, 21, 22, 44, 60, 70, 75, 95, 103, 107, 125, 127, 135, 138, 146, 149, 156, 157, 159, 161, 165, 192, 220, 264, 276, 303, 391, and 404 or any statutory modifications thereof.
- (g) The Board shall cause giving copies of documents to any member or to any other person in accordance with the provisions of section 39, 118, 163, 279, 225, 284, read with 379, 393 and 419 or any statutory modifications thereof,

- (h) The Board shall cause the dispatch of abstracts and memorandum referred to in Section 302 in accordance with the provisions contained therein or any statutory modifications thereof.

XXI. CERTAIN POWERS TO BE EXERCISED BY ONLY AT MEETINGS

56. (a) The Board shall exercise the following powers *on* behalf the Company only by means of resolutions passed at the meetings of the Board:
- i) The power to make calls on shareholders in respect of money unpaid on their shares;
 - ii) The power to issue debentures;
 - iii) The power to borrow money otherwise than on debentures;
 - iv) The power to invest the funds of the Company; and
 - v) The power to make loans and shall exercise these powers in accordance with section 292 or only statutory modifications thereof.
- (b) The Board shall also exercise the powers mentioned in sections, 262, 297, 316, 372, 386 and 488 only at meetings of the Board and in accordance with the provisions of these sections or any statutory modifications thereof.
57. (a) Subject to the provisions of sections of 316, 372 and 386 of the Act requiring unanimous resolution of the Board of Directors questions arising at any meeting of the Board shall be decided by a majority of votes.
- (b) In case of an equality of votes, the Chairman of the Board if any, shall have a second or casting vote.
58. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft together with the necessary papers, if any to all the Directors or to all the members of the committee than in India (not being less in number than the quorum fixed for a meeting of the Board or committee as the case may be) and to all other Directors or members, at their usual address in India and has been approved by such of the Directors or members, or by a majority of such of them as are entitled to vote on the resolution.

XXII. RESTRICTIONS ON THE POWERS OF THE BOARD

59. (a) The Board shall not exercise the powers referred to in section 293 without the consent of the Company in General Meeting and only to the extent mentioned therein or any statutory modifications thereof.
- (b) In the appointment of sole selling agents for the Company for any area, the Board shall conform to the provisions of section 294 or any statutory modifications thereof.
- (c) In giving loans to Directors and other persons mentioned in Section 295 (1) the Board shall conform in the provisions of that section or any statutory modifications thereof.

XXII. MANAGEMENT

60. (a) The Board of Directors may, from time to time and subject to the requisite approval of the Company in the General meeting and where necessary also that of the Central Government under the provisions of the companies Act, 1956 appoint a Managing Director, Joint Managing Director, Technical Director, whole time Directors on such terms and conditions and for such period that they may consider proper.
- (b) The co-promoters and Associates of the Company shall have the right to nominate a Director to be the Managing Director of the company subject to the approval of the General body and Central Government wherever necessary
61. The Managing Director and the Joint Managing Director shall be responsible for carrying on and conducting the business of the company subject to the supervision, directions, and control of the Board of Directors in the conduct and management of the said business, the Managing Director and the Joint Managing Director may exercise such powers, authorities and discretions, as may from time to time be vested in them under an agreement or delegated to them by the Board of Directors.
62. The Managing Director and the Joint Managing Director whole time Directors & Technical Director shall not be liable to retirement by rotation.

XXIII (A) MANAGER

63. Subject to section 197 A of the Act, the Company may appoint a person as Manager as defined in section 2 (4) of the Companies Act, Provided however, no firm, body corporate or association shall be appointed Manager.
64. In the appointment of a person as manager of the Company provisions of Sections 385 and 386 or any statutory modifications thereof shall be complied with.
65. Any assignment of office by the Manager of the Company shall be void.
66. No person shall be appointed Manager of the Company for more than a period of five years and in making such appointment provisions of Section 317 read with Section 358 or any statutory modifications thereof shall be complied with.

XXIV. REMUNERATION OF DIRECTORS, MANAGERS AND EMPLOYEES

67. (a) Payment of remuneration of Directors including Managing and Whole Time Director, and Manager, if any, shall be subject to the provisions of Sec. 198 or any statutory modifications thereof.
- (b) In fixing the remuneration of employees of the Company other than Directors and Manager the provisions of Section 199 and 200 or any statutory modifications thereof shall be complied with.
68. In fixing the remuneration of Directors, including Managing and Whole Time Directors the provisions of Sec. 309,310 and 311 or any statutory modifications thereof shall be complied with.

69. The Managing Director of the Company may subject to the provisions of Section 198, 310 and 311 or any statutory modifications thereof receive remuneration either by way of monthly payment or by way of specified percentage not exceeding 5% of the net profits of the Company calculated in the manner laid down in Section 349, 350 and 351 or partly by the one way and partly by the other.
70. The Directors shall from time to time decide their own remuneration for the attendance of the Board Meeting, but in no case it shall exceed such amounts as is notified under Sec. 310 or any statutory modification thereof for every meeting of the Board of Directors attended by them.
71. The Directors may fix up a fee to be paid to any Director for attending a Meeting of the Sub-Committee but it shall in no case exceed such amounts as is notified under Sec. 310 or any statutory modification thereof per meeting.
72. Traveling and daily allowance of Directors while traveling on Company's business including the attendance of Board Meetings may be fixed by the Board of Directors from time to time.
73. If any Director being willing, shall be called upon to perform extra service or to make any special exertions in going or residing abroad or in negotiating or carrying into effect any contract or arrangements by the Company, otherwise for and purposes of the Company, or act as trustee for the Company or its debenture-holders, and shall do so, the Company may remunerate such Director either by a fixed sum and/ or percentage of profits or otherwise, as may be permissible under the Companies Act.

XXV. DIVIDENDS AND RESERVE

74. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
75. 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.
76. (a) The Company shall transfer to a Reserve of such percentage of its profits for the year as prescribed by Transfer (of Profits to Reserves) Rules 1975 before declaring or paying dividends out of the profits of the current year.
 - (b) The Board may also carry forward any profits which it may think prudent not to divide.
 - (c) Subject to the rights of the persons, if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as holding is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
 - (d) 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 shares and shall not in respect thereof confer a right to dividend or to participate in the profits of the Company.

- (e) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
77. The Board may deduct from any dividend payable to any member all sums of money if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
78. (a) Any General Meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and the Board shall give effect to the resolution of the meeting.
- (b) Where any difficulty arises in regard to such distribution, the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the values fixed in order to adjust the rights of all parties, and may vest any such specific assets trustees as may seem expedient to the Board.
- (c) Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warranty sent through the post directed to the registered address of the holder or in the case of joint holders, to the registered address or 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 joint holders may in writing direct.
- (d) Every such cheque or warrant shall be made payable to the order or the person to whom it is sent.
- (e) Anyone of the two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other monies payable in respect of such share.
- (f) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein the manner mentioned in the Act.
- (g) No dividend shall bear interest against the Company.
79. Any Annual General Meeting declaring a dividend may make call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend if so arranged between the Company and the member be set off against the call. The making of a call under this clause shall be deemed ordinary business of an ordinary General Meeting which declares a dividend.
80. All dividends on any share not having a legal registered owner entitled to require payment of and competent to give a valid receipt shall remain in suspense until some competent person be registered as the holder of the share.

81. The Board shall transfer the unpaid dividends within 7 days of the expiry of 42 days from the date of declaration of the dividend to a special account with a scheduled Bank, to be Shown as "unpaid Dividend Account". If the amount of the unpaid dividend is not so transferred the Company shall pay interest at the rate of 12% per annum. Any money transferred to the unpaid Dividend Account of the Company which remain unpaid or unclaimed for 3 years from the date of such transfer, shall be transferred to the general reserve account of the central Government and any claim after such transfer must be referred to the Central Government. No unclaimed dividend shall be forfeited before the claim becomes barred by law by the Board of Directors of the company comply with the provisions of section 205(A) of the Companies Act 1956.

XXVI. CAPITALISATION OF PROFITS

82. (a) The Company in General Meeting may upon the recommendation of the Board, resolve.
- i) That it is desirable to capitalise any part of the amount for the time being to the credit of any of the Company's reserve accounts or the credit of the profit and loss account or otherwise available for distribution and
 - ii) That such sum be accordingly set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions.
- (b) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards:
- (i) Paying up any amounts for the time being unpaid on any shares held by such members respectively
 - (ii) Paying up in full, unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members at the proportions aforesaid, or
 - (iii) Partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii)
- (c) A share premium account and a capital redemption reserve fund may, for the purpose of the regulation be only applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- (d) The Board shall give effect to the resolution passed by the Company in pursuance of the regulation.
83. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall.
- (i) 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, and.

- (ii) Generally to do all acts and things required to give effect thereto.
- (b) The Board shall have fully power :
- (i) To make such provisions by the issue of fractional Certificates or by payment in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and also.
 - (ii) To authorise any person to enter, on behalf, of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisations, 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 remaining unpaid on their existing shares.
- (c) Any agreement made under such authority shall be effective and binding on all such members.

XXVII AUDIT

- 84. Once atleast in every year books of Account of the Company shall be examined by one or more Auditors.
- 85. The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of next General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is or they are a retiring Auditor or Auditors. The appointment, remuneration rights and duties of the Auditor or Auditors shall be regulated by sections 224 to 235 of the Act.
- 86. Where the Company has a branch office the provisions of Sections 228 of the Act shall apply.
- 87. All notice of, and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
- 88. The Auditors Report (including the Auditors separate, special or supplementary report, if any) shall be read before the Company in General Meeting and shall be be open to inspection by any member of the Company.
- 89. Every Balance Sheet and Profits & Loss Account of the Company when Audited and adopted by the Company in General Meeting shall be conclusive except as regards any error discovered therein within three months next after the adop-tion thereof, Whenever any such error is discovered within that period the account shall forth with be corrected and thenceforth shall be conclusive.

XXVIII. SEAL

90. The Directors shall provide a Common Seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof.
91. The Seal of the Company shall not be affixed to any instrument except by the authority or a resolution of the Board or a Committee of the Board authorised by it in that behalf. Every instrument to which the Seal is affixed shall be signed by any director or other officer appointed by the Directors for the purpose and counter- signed by any Director, Manager, Secretary or any other Officer appointed by the Directors for the purpose.

XXIX. ACCOUNTS

92. The Company shall comply with the provisions of sections 209 to 221 with regard to the keeping of accounts, preparation of Balance Sheet and Profit and Loss Accounts.
93. (a) 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 given to the inspection of members not being Directors.
- (b) 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 the regulations or authorised by the Board or by the Company in General Meeting.
94. Every account of the Directors, when audited and approved by an Annual General Meeting shall be conclusive.

XXX. SERVICE OF NOTICE AND DOCUMENTS

95. (1) A notice or other document may be given by the Company to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any within India supplied by him to the Company for the giving of notice to him.
- (2) Where a notice or other document is sent by post;
- (a) Service here of shall be deemed to be effected by properly addressing preparing and posting a letter containing the notice or document provided that where a member has intimated to the company in advance that notices or documents should be sent to him under a certificate of posting or registered post with or without acknowledgement due and has deposited with the Company a sufficient sum to defry the expenses of doing so. Service of the notice or document shall not be deemed to be effected unless it is sent in the manner intimated by the member and
- (b) Such service shall be deemed to have been effected.
- (i) In the case of notice of a meeting at the expiration of 48 hours after the letter containing the same is posted and

- (ii) In any other case at the time lit which the letter would be delivered in the ordinary course of post.
96. A notice or other document advertised in a newspaper circulating in the neighborhood of the office shall be deemed to be duly served on the day on which the advertisement appears on every member of the Company who has registered address in India and has not supplied to the Company an address within India- for the giving of notices to him. Any member who has no registered address in India shall, if so required to do by the Company, supply the Company with an address in India for the giving of notices to him.
97. A notice or other document may be served by the Company on the joint holders of a share by giving the notice to the joint holders named first in the Register in respect of the share.
98. A notice or other document may be served by the Company on the persons entitled to a share in the consequence of the death or insolvency of a member by sending it through post in a prepaid letter addressed to them by name or by the title of representatives of the deceased, or assigned of the insolvent or by any like description, at the address in India supplied for the purpose by the persons claiming to be so entitled, or until such address has been so supplied, by giving the notice in any manner in which the same might have been given if the deaths or insolvency had not occurred.
99. Any notice required to be given by the Company to the members or any of them and not expressly provided by these Articles or by the Act shall be sufficiently given if given by Advertisement.
100. Any notice required to be or which may be given by advertisement shall be advertised once in one or more newspapers circulating in the neighborhood of Registered Office of the Company.
101. Any notice given by advertisement shall be deemed to have been given on the day on which advertisement shall first appear.
102. Every person who by operation of law transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall have been duly given to the person from whom he derives right to such share.

XXXI. WINDING UP

103. If the Company shall be wound up, and the assets, available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. And if in a winding up the assets, available for distribution among the members, shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares held by them respectively. But this clause is to be without pre-judice to the rights of the holders of shares issued upon special terms and conditions and the provisions of Section 511 of the Act.

104. Subject to the provisions of Section 511 of the Act if the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction or a special resolution, divide among the contributories in specie or kind, any Dart 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, but that no member shall be compelled to accept any shares or other securities where there is any liability.

XXXII. ARBITRATION

105. (a) Whenever any differences arise between the Company on the one hand, and any of the members, their executors, administrators, or assignees on the other hand, touching the true intent or construction, or the incident or consequences of these presents or of the statutes or enactments of the Legislature, or touching any thing then or there after done, executed suffered in pursuance of these presents or of the status or enactments, or touching any breach or alleged breach of these presents or any claim on account of any such breach or otherwise relating to these presents, every such differences shall be referred to the arbitrators one to be appointed by each party or in the event of the disagreement of the arbitrators, of an Umpire appointed by them i.e. arbitrators, before entering on the reference or failing such agreement, by the court or to the arbitration of single arbitrator if the parties to the deference agree to such reference.
- (b) If either party to the difference makes default in appointing the arbitrator for fifteen days after party has given to him notice to appoint to same such other party may appoint an arbitrator to act in the place of arbitrators of one defaulting party.
- (c) The costs, of or incidental, to any such reference or award, shall be in the discretion of the arbitrator/arbitrators or Umpire as the case may be who may determine the amount there of, and may award by whom, and in what -manner the same shall be borne and paid.
- (d) Subject to the aforesaid clauses (a), (b) and (c) above the Indian Arbitration Act, 1940 shall apply to such arbitration.

XXXIII. SECRECY

106. Every Director, Secretary, Manager, Auditor, Trustee Member or Committee Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall before entering upon the duties sign a declaration pledging himself to observe strict secrecy in respect of all transactions of the Company with consumers and the state of accounts with individuals and in all matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may have come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any meeting of the share-holders or by Court of Law by the person to whom such matters relate and except so far as *may* be necessary in order to comply with any of the provisions of these Articles of Association.
107. Any Director or officer of the Company shall be entitled, if he thinks, fit to decline to answer any question concerning the business of the Company which may be put to him on any occasion including any meeting of the Company on the ground that the answer to such question would disclose or tend to disclose the trade secret of the Company.

108. Any officer or employee of the Company proved to the satisfaction of the Board of Directors to have been guilty of disclosing the secrets of the Company shall be liable to instant dismissal without notice and payment of damages.

XXXIV, INDEMNITY

109. (a) Every Director of the Company, 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 to pay out of the funds of the Company 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 such Director, Officer or servant or in any way in the discharge of his duties.
- b) Subject to aforesaid every Director, Manager, Secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which Judgment is given in his favour or in which he is acquitted or in connection with any application under Section 63 of this Act in which relief is given to him by the Court.
110. No Director, Auditor or other Officer of the Company shall be liable for the acts, receipts or defaults of any other Director or officer, for joining in any receipts or other act for conformity or for any loss or expenses happening to the Company through the insufficiency a deficiency of title to any property acquired by order of the Directors for or on behalf of the company, or for the sufficiency or deficiency of any security in or upon which any of the monies of the company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or torturous act of any person with whom any monies, securities, or effects shall be deposited, or for any loss occasioned by any error or Judgment, commission, default or oversight on his part, or for any other loss, damage or misfortune which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same happen through his own dishonesty.

Sl. No.	Signature Name, Address, description and occupation of subscribers	Name, address, description, occupation and signature of witness
1.	S. VISWANATHA RAJU, S/o Krishnam Raju Vissannapeta, Krishna Dt. Contractor : Sd/-	<p style="text-align: center;">(Sd.) N. RAMA RAJU S/o. Laxmipathi Raju Chartered Accountants 5-8-512/18, Chirag Ali Lane, Hyderabad.</p>
2.	VINODRAI V. GORADIA S/o Vachhraj 25/9, Kanak Kunj, Behind Aurora Cinema, Matunga, Bombay – 19. Chemicals Dealer : Sd/-	
3.	DESI RAJU, SEETHARAMA DUTT, S/o. Hanumantha Rao 105, Adarshnagar, Hyderabad - 500 040. Company Director : (Sd/-)	
4.	K. RAMACHANDRA RAJU, S/o. Suryanarayana Raju 29-107, Moula Ali, Hyderabad - 500 040. Company Director : (Sd/-)	
5.	G. SOMA RAJU, S/o. Narayana Raju 32-1/1, Moula Ali, Hyderabad - 500 040 Company Director : (Sd/-)	
6.	K. RAVI, S/o. Ramachandra Raju 29-107, Moula Ali, Hyderabad - 500 040. Company Director : (Sd/-)	
7.	R. RANGAYYA, S/o. Ramaiah 24/2 RT, LIGH Quarters, Lalapet, Hyd.-789 Company Director : (Sd/-)	
8.	K. JANAKI RAMARAJU, S/o. Suryanarayana Raju 29-107, Moula Ali, Hyderabad - 500 040. Company Director : (Sd/-)	
9.	G. VENKATA DURGA RAJU, S/o Raghava Raju 32/51, Upparguda, Hyderabad - 500 040. Company Director : (Sd/-)	

Dated this 17th day of August 1979, at Hyderabad.