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**MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF**

**MARIS SPINNERS LIMITED**

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SECOND CERTIFICATE

CERTIFICATE OF INCORPORATION

COMPANY NO: 3 6 1 2

I HEREBY CERTIFY THAT MARIS SPINNERS ~~PRIVATE~~  
LIMITED. xxx xxx REGISTRATION  
xxx

was incorporated under the Companies Act, 1956 (No. 1 of  
1956) on EIGHTEENTH day of SEPTEMBER One thousand nine  
hundred and SEVENTY NINE.  
and that the company is limited.

Given under my hand at BANGALORE this  
NINTH Day of FEBRUARY One thousand  
nine hundred NINETY FIVE.



(V. prasnivasarao)  
REGISTRAR OF COMPANIES  
KARNATAKA II BANGALORE

( SECTION 18(3) OF COMPANIES ACT 1956 )  
COMPANY NUMBER 18-32618

CERTIFICATE OF REGISTRATION OF THE ORDER, OF  
COMPANY LAW BOARD *Southern Region Bench*  
CONFIRMING TRANSFER OF THE REGISTERED OFFICE  
FROM ONE STATE TO ANOTHER

The *Makes Spinners Limited* having by  
special resolution altered the provisions of its Memorandum  
of Association with respect to the place of the registered  
office by changing it from the state of .....  
..... *Karnataka* ..... to the state of  
..... *Tamil Nadu* .....  
and such alteration having been confirmed by an order of  
Company Law Board *Southern Region Bench* .....  
bearing date the 21.7.95 in C.F. 400/17/SRB/95.

I hereby certify that a certified copy of the said  
order has this day been registered .

Given under my hand at Madras; ..... *16<sup>th</sup>* .....  
day of *August* ..... One thousand nine hundred and Ninety-five.



*B. Chandra*  
ASSISTANT REGISTRAR OF COMPANIES  
TAMIL NADU, MADRAS.

*CRS*

The Companies Act, 1956  
Company Limited by Shares

**MEMORANDUM OF ASSOCIATION**  
**OF**  
**MARIS SPINNERS LIMITED**

- I. The name of the Company is **MARIS SPINNERS LIMITED**.
- II. The Registered Office of the Company shall be situated in the State of TAMILNADU.
- III. The objects for which the Company is established are the following:
  - A. **THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION**
    1. To carry on the business of spinners, doublers, weavers, bleachers, dyers, printers, mercers and hosiers in cotton, wool, jute, silk terylene, terri-cotton, terri wool, linen and all other synthetic and other fibrous materials and makers of vitriol, bleaching materials and to purchase, comb, prepare, spin, weave, bleach, dye print, mercerize or otherwise manufacture and deal in wool, cotton, silk, yarn cotton and other goods, fabrics, whether textiles, trebled, knitted or looped, kapas hemp, jute, rags, yarns, chemicals and things necessary or useful in processes for treatment of any or all of the above purposes.
    2. To carry on the business of manufacturing, bleaching, dying, printing and selling yarn, cotton and / or staple fibre, cloth and other fabrics made from raw cotton, jute, wool, synthetic and other suitable materials, and generally to carry on the business of running spinning and weaving mills in all their branches.
    3. To carry on or to be interested in all or any of the business of cotton spinners and doublers, flax, hemp and wool merchants, wool combers, worsted spinners, woolen spinners, yarn merchants, worsted stuff manufacturers, bleachers, and dyers and makers of vitriol, bleaching and dyeing materials and to purchase, comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk and other fibrous substances and to knit, weave or otherwise manufacture, buy and sell linen, cloth and other goods and fabrics whether in textile, trebled, knitted or looped or otherwise.

4. To generate, harness, develop, accumulate and distribute electric power by utilizing wind energy and for that purpose to establish wind mills and also to generate power by setting up of power plants like Mini Hydel Power, Hydro Power, Thermal Power, Diesel Power, Multi Fuel Based Power, Micro Hydel power plants and also to generate electric power by utilising solar, tidal, wind energy and other sources of energy for supply and distribution either directly or through State Electricity Board or otherwise to consumers of electricity on a commercial basis and to establish, construct and maintain necessary power stations to generate, accumulate, supply and distribute electricity.

**B. OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS SPECIFIED IN (A) ABOVE:**

5. To enter into contracts in India or elsewhere for purchases or sale of Indian or any foreign variety of cotton, cotton seeds, cotton waste, cotton yarn, other yarns, fabrics or cotton, silk, wool, terri-cotton, linen and all fibrous articles.
6. To establish and maintain any agencies in India or any part of the world for the conduct of the business of the Company or for sale of any materials or things for the time being at the disposal of the Company or for sale of any materials or things for the time being of the disposal of the Company for sale.
7. To advertise and adopt means of making known the business activities of the Company or any articles or goods traded or dealt in by the Company in anyway as may be expedient including posting of bills in relating there to and the issue of circulars, books, pamphlets and price lists and the conducting of competitions, exhibitions and the giving of prizes, rewards and donations.
8. To apply for, purchase or otherwise acquire and protect, prolong and renew trade marks, trade names, secret process, patents, patent rights, "Brevets D'invention" licences, protections and concessions, which may appear likely to be advantageous or useful to the Company and to spend money on experimenting and testing and improving, or seeking, to improve, any patents, inventions or rights, which the Company may acquire or propose to acquire to develop.
9. To enter into agreements and contracts with Indian and foreign individuals, Companies or other organisations for technical, financial or any other, assistance for carrying out all or any of the objects of the Company.

\* The Main Object No. 4 was inserted after object No. 3 vide special resolution passed at the Annual General Meeting held on 27<sup>th</sup> September 2002. The said Main Object No. 4 was shifted from the Other Objects (Object No. 9), and re-numbered accordingly.

10. To enter into contracts, agreements and transactions with foreign parties outside India including foreign Companies, Government and / or parties within India for providing and rendering technical services, providing or making available to such parties, patents, inventions, models, designs, secret formulae, processes, and information relating to textiles for consideration or royalties, Commission, fees, remuneration or similar payment and to prepare project reports, details of plant and machinery and equipments, to negotiate with Banks, financial institutions and to purchase raw materials, stores, spare parts, selling of finished products, bye-products and to assist in activities of production, manufacture and running of factories, Institutions for and on behalf of such parties, in connection with the objects of the Company.
11. To enter into partnership or into any arrangement for sharing profits, union of interest, co-operation joint venture, reciprocal concession or otherwise with any person, firm or Company carrying on or engaged in or about to carry on or engage in any business or transaction, which this Company is authorised to carry on or conducted so as directly or indirectly to benefit the Company to guarantee the contracts of or otherwise assist any person, firm or Company and take or otherwise acquire and hold shares or securities of any such person, firm or Company and to sell, hold, re-issue with or without guarantee or otherwise deal with such shares and securities.
12. To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities of any person, firm or Company carrying on any business, which this Company is authorised to carry on and to purchase, acquire, apply for, hold, sell and deal in shares, stock, debenture stock of any person, firm or Company and to conduct, make or carry into effect any arrangement in regard to the winding up of the business of any such person, firm or Company.
13. To buy, lease or otherwise acquire lands, buildings and other immovable properties and to sell, lease, mortgage, or hypothecate or otherwise dispose of all or any of the properties and assets of the Company on such terms and conditions as the Company may think fit.
14. To apply for, tender purchase or otherwise acquire any contracts and constructions, erection, equipments, improvement, management, administration or control of works and conveniences and to undertake, execute, carry on, dispose of or otherwise turn to account the same.
15. To construct, acquire, establish, provide, maintain and administer factories, estates, railways, buildings, water reservoirs, sheds, channels, pumping installations, generating installations, pipelines, garages, storages and accommodations of all description in connection with the business of the Company.
16. To enter into any arrangements with any Government or State Authority, Municipal, Local or otherwise that may seem conducive to the Company's

objects or any of them and to obtain from any such Government or State Authority, any rights, privileges and concessions which may seem conducive to the Company's or any of them.

17. To amalgamate with any Company or Companies having objects altogether or in part similar to those of this Company in accordance with the provisions of the Companies Act, 1956.
18. To remunerate or make donations (by cash or in kind or by the allotment of fully or partly paid-up shares or by call or option on shares, debentures, debenture stock or securities of this or any other Company or in any other manner) whether out of the Company's capital, profits or otherwise to any person(s) or firm or Company for services rendered or to be rendered in introducing any property or business to the Company or placing or assisting to place or guaranteeing the subscription of any shares, debentures, debenture stock or other securities of the Company or for any other reason which the Company may think proper.
19. To pay all the costs, charges and expenses of and incidental to the promotion and formation, registration and establishment of the Company and issue of its capital, including any underwriting or other commission, brokers fee and charges in connection therewith including costs, charges, expenses of negotiations and contracts and arrangements made prior to and in anticipation of the formation and incorporation of the Company.
20. To draw, make issue, accept, and to endorse discount and negotiate promissory notes, hundies, bills of exchange, bill of lading, delivery order, warrants, warehouse keepers' certificates and other negotiable or commercial or mercantile connected with the business of the Company.
21. To undertake and execute any trusts, the undertaking whereof may be desirable either gratuitously or otherwise.
22. To open account, with any individual, firm or Company or with any Bank or Banks and to pay into and to withdraw moneys from such account for account.
23. To lend or deposit money belonging to or entrusted to or at the disposal of the Company to such persons or Company and in particular to customers and others having dealings with the Company with or without security, upon such terms as may be thought and guarantee the performance of the contracts of such person or Company but not to do the business of banking as defined in the Banking Regulation Act, 1949.
24. To make advance upon or for the purchase of materials, goods, machinery, stores and other articles requires for the purpose of the Company.
25. Subject to the provision of the Companies Act, 1956, to invest, apply for and acquire or otherwise employ moneys belonging to, entrusted to or at the

disposal of the Company upon securities and shares or without security upon such terms as may be thought proper and from time to time any such transaction in such manner as the Company may think fit.

26. Subject to the provisions of the Companies Act, 1956, to borrow or raise money with or without security or to receive money on deposit at interest or otherwise in such manner as the Company may think fit and in particular by the issue of the debentures or debenture stock, perpetual or otherwise, including debenture or the debenture stock convertible into shares of this or borrowed, raised or received to mortgage, pledge or charge the whole or any part of the property, assets, or revenue of the Company present or future including its uncalled capital and to purchase, redeem or pay off any such securities but shall not carry on banking business as defined by the Banking Regulation Act, 1949.
27. To provide for the welfare of the employees or ex-employees of the Company and the wives, widows, families of dependents or relations of such person by building or contributing to the building of houses, dwellings or by grant of money, pensions, gratuity, bonus payment towards insurance or other payment or by creating from time to time, subscribing to adding or supporting provident funds or trust or convenience and by providing or contributing towards places of instruction or recreation, hospitals and dispensaries, medical and other assistance as the Company shall think fit and subject to the provisions of the Companies Act, 1956 and the Constitution of India to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or subjects or any public, general or useful objects.
28. To sell, mortgage, assign or lease and in any other manner deal with or dispose of the undertakings or properties of the Company or any part thereof whether movable or immovable for such considerations as the Company may think fit and in particular for shares, debentures and securities of any other Company having objects altogether or in part similar to those of this Company.
29. To improve, manage, work, develop, alter, exchange, mortgage, lease, turn to account, abandon or otherwise deal with all or any part of the properties, rights and concessions of the Company.
30. To distribute any of the properties of the Company amongst the members in specie or kind upon the winding up of the Company.

**C. OTHER OBJECTS NOT INCLUDED IN (A) AND (B) ABOVE:**

1. To carry on or to be interested in all or any of the business of pressing and ginning Mill proprietors and Oil Mill proprietors.



2. To carry on business of importers, exporters, commission agents and general traders and to buy, sell, import and export, manipulate and prepare for market and deal in goods, merchandise of all descriptions especially in cotton, cotton yarn and other fabrics, silk, wool, terryline, terricotton, linen and all other fibrous articles, plastics and plastic materials.
3. To carry on the business as traders, importers, factors, agents of and otherwise deal in electrical goods of all kinds and description (both consumer's and producer's goods) and machineries of all kinds and description required for house hold, commercial and industrial purposes.
4. To carry on the business in the mining of Ores of all types and metals including Copper, Aluminium, Iron and Maganese.
5. To carry on the business in the manufacture and sale of textile machinery, equipments, spare parts, testing equipments and other tools, parts, stores and machinery connected with the textile industry, chemicals, fertilizers, pesticides and oils.
6. To manufacture, purchase, sell, import, export, carryout servicing work, matalising and repairing, hire, let on hire purchase, run or otherwise deal in motor wagons, motor lorries, motor cars, motor cabs, motor cycles, motor tractors, motor internal combustion engines, steam engines, scooters, bicycles, carriages, vehicles and conveyance of all kinds whether propelled or assisted by means of petrol, diesel, oil, spirit, steam, gas, electricity, animal or other power.
7. To purchase or otherwise acquire or take under licence or concession, improve, manage, develop, sell, exchange, surrender, hire, mortgage, charge, hold turn to account, dispose and deal in real and personal property and rights of all kinds and in particular lands, buildings, heriditament, works, wine, mining rights, plantations, forests, easements, licences, plant and machinery, business concerns, and undertakings, shares, debentures, stocks, mortgages, bonds, securities, produce, concessions, options, contracts, patents, annuities, licences, policies, book-debts, claims, privileges and chose-in-action of all kinds, including any interest in real or personal property or any claims against such property or against any person or Company and to carry on any business, concern or undertaking so acquired.
8. To carry on all or any of the business or agency of all kinds, merchants, traders, importers and manufacturers of all types of engineering goods, electrical appliances and goods, electrical motors, electric insulators, sewing machines, knitting and embroidery machines, cooking ranges, domestic appliances, heaters and sealed compressors, electrical devices, electrical, mechanical and scientific apparatus and instruments, plastics goods, plastic resin, rayon goods, fertilizers, chemical preparations of all kinds and description, dyes, oils, paints and pigments, varnishes, petrol, petroleum products, acids and alkalies, minerals and salts, soap and soap preparations, shoes, leather goods, timber, waterproof materials, oil-cloth, tarpaulin, linoleum, truck spare parts, agricultural implements, ceramic goods, timber,

crockery, glassware, vacuum flasks and vacuumised goods, all types of bearings, plaster of paris, cosmetics and toilet goods, potteries, ivory, radios, radiograms, sound recorders, television, chainaware, things of art and beauty, tobacco products, matches lights, pipes, raw materials and ingredients in any way required for manufacture of or for making any of the above commodities, furniture and fixtures, presentation articles, jewellery, real, artificial, semi-precious and precious antiques, handicrafts, watches, time pieces and clocks, pharmaceutical and medical stores, office equipments and stationery, gift articles and toys, musical records and instruments, fancy goods, provisions and commodities for human and / or animal consumption.

9. To carry on the business of and investment Company in all its branches and kinds particularly to invest in, acquire, hold, sell, underwrite and otherwise deal in shares, stocks, debentures, debenture stocks, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any Company or body corporate or other persons whosoever and to finance private industrial enterprises.
10. To undertake and carry on the business of leasing, sub-leasing, and hire purchases financing in all their branches and kinds and particularly that of motor vehicles, sea going vessels, machinery, equipments, devises and appliances whether used for agricultural, industrial, domestic or commercial purposes.
11. To carry on the business of a Finance Company (not being a banking Company within the meaning of the Banking Regulation Act, 1949) in all its branches and kinds and especially to provide loan and credit facilities including bill discounting facilities to general traders and merchants, industries, commercial establishments and to finance house building or any other industrial or commercial constructions, acquisition or residential and commercial buildings and space.

IV. The liability of the members is limited.

- V. The Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 99,50,000 (Ninety Nine Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 50,000 (Fifty Thousand) Preference Shares bearing not less than 5% dividend of Rs. 10/- (Rupees Ten Only) each.

\* The Clause 9 has been shifted to Main Objects No. 4 after the existing object No. 3 vide special resolution passed at the Annual General Meeting held on 27<sup>th</sup> September 2002.

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

Sl. No.	Signature, Name, Father's Name Address, Description and Occupation of the Subscriber.	Number of Equity Shares Taken by each Subscriber	Signature, Name, Address, Description and Occupation of the Witness.
1.	Sd/- <b>MARIYA PILLAI THANGAVELU</b> S/o. Mariya Pillai, 609, 1 <sup>st</sup> Stage, Indira Nagar, Bangalore - 560 038. Occ- Planter.	1,000 (One Thousand)	
2.	Sd/- <b>MARIYA PILLAI RENGASWAMY</b> S/o. Mariya Pillai, 23, Krishnamachari Road, Madras - 600 034. Occ- Business.	1,000 (One Thousand)	Sd/-  <b>N. C. SUNDARARAGHAVAN</b> (Nallan Chakravarthy Sundararaghavan) S/o. N. C. Srinivasan, No. 25, Kumara Park Road Cross, Kumara Park East, Bangalore. Occ - Chartered Accountant
3.	Sd/- <b>MARIYA PILLAI RAMASWAMY</b> S/o. Mariya Pillai, Teddington, Quail Hill, Coonoor - 1. Occ - Planter.	1,000 (One Thousand)	
4.	Sd/- <b>RAMASWAMY PILLAI</b> <b>SITHAMBARAM PILLAI</b> S/o. Ramaswamy Pillai, Tattapallam Estates, Tattapallam Post, Nilgiris. Occ - Planter	1,000 (One Thousand)	
	Total	4,000 (Four Thousand)	

Dated this 29<sup>th</sup> Day of August 1979 at Bangalore

The Companies Act, 1956  
Company Limited by Shares

**ARTICLES OF ASSOCIATION**  
**OF**  
**MARIS SPINNERS LIMITED**

As adopted at the Annual General Meeting of the Company held on 15<sup>th</sup> June 1995.

**TABLE A**

1. The regulations contained in Table 'A' in Schedule I to the Companies Act, 1956 shall, except otherwise and to the extent provided in these Articles, apply to this Company, in the same manner as if all such regulations of Table 'A' are specifically contained in these Articles.

**INTERPRETATION**

2. In the interpretation of these Articles, unless repugnant to the subject or context:
  - (i) The Company or 'This Company' means **MARIS SPINNERS LIMITED.**
  - (ii) 'The Act' means 'The Companies Act, 1956' or any statutory modifications of re-enactment thereof for the time being in force.
  - (iii) 'Annual General Meeting' means a General Meeting of the members held in accordance with the provisions of Section 166 of the Act.
  - (iv) 'Auditors' means and includes those persons appointed as such for the time being by the Company.

- (v) 'Board' or 'Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board of Directors of the Company collectively.
- (vi) 'Capital' means the Share Capital, for the time being raised or authorised to be raised, for the purpose of the Company.
- (vii) 'Debenture' includes debenture-stock.
- (viii) 'Directors' means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a Board.
- (ix) 'Dividend' includes bonus paid in cash but does not include any share issued in satisfaction of capital bonus upon capitalization of undistributed profits or share premium account.
- (x) 'Extra-Ordinary General Meeting' means and Extra-Ordinary General Meeting of the members duly called and constituted and any adjourned holding thereof.
- (xi) 'Members' means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company including the beneficial owner in the records of the Depository.
- (xii) 'Meeting' or 'General Meeting' means a meeting of members.
- (xiii) 'Month' means a calendar month.
- (xiv) 'Office' means the Registered Office for the time being of the Company.
- (xv) A 'Resolution' shall be an 'Ordinary Resolution' when at a General Meeting of which the notice required under the Act has been duly given, the Votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the resolution (including the casting vote, if any, of the Chairman) by the members, who, being entitled so to do, vote in person, or where proxies are allowed, by proxy exceed the votes, if any, cast against the resolution by members so entitled and voting.
- (xvi) 'Paid-up' includes credited as paid-up.
- (xvii) 'Persons' includes corporation and firms as well as individuals.
- (xviii) 'The Register' means the Register of Members to be kept as required by Section 150 of the Act, and where shares are held in dematerialized form. 'The Register' includes the Register of Beneficial owners maintained by a Depository.

- (xix) 'Register' means the Registrar of Companies of the State in which the office of the Company is for the time being situated.
- (xx) 'Secretary' means any individual possessing qualifications prescribed for the time being by any rules made under the Act and appointed to perform the duties which may be performed by a Secretary under the Act and any other ministerial or administrative duties.
- (xxi) 'Seal' means the Common Seal for the time being of the Company.
- (xxii) 'Shares' means the share in the share capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied.
- (xxiii) 'Special Resolution' shall have the meaning assigned thereto by Section 189 of the Act.
- (xxiv) 'Written' and 'In Writing' include printing, lithography and other modes of representing or reproducing works in a visible form.
- (xxv) 'Year' means calendar year and 'Financial Year' shall have the meaning assigned thereto by Section 2(17) of the Act.
- (xxvi) Words importing the singular number includes, where the context admits or requires, the plural number and vice versa.
- (xxvii) Words importing the masculine gender also includes the feminine gender.
- (xxviii) 'Managing Director' means a Managing Director for the time being of the Company.
- (xxix) 'These presents or 'Regulations' shall mean these Articles of Association as originally framed or altered from time to time and shall include the Memorandum of Association where context so requires.
- (xxx) 'Section' or 'Sec' means Section of the Companies Act, 1956.
- (xxxi) 'Proxy' means an attorney duly constituted 'Proxy' under a Power of Attorney.
- (xxxii) (a) The Marginal notes and headings used in these Articles shall not affect the construction hereof.  
  
(b) Save as aforesaid, any words or expression defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

- (xxxiii) 'Beneficial Owner' shall mean beneficial owner as defined in clause (a) a sub section (1) of Section 2 of the Depositories Act, 1996.
- (xxxiv) 'Depositories Act, 1996' shall include any statutory modification or re-enactment thereof.
- (xxxv) 'Depository' shall mean a Depository as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.
- (xxxvi) 'SEBI' means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.
- (xxxvii) 'Security' means such security as may be specified by SEBI from time to time.

### **CAPITAL**

3. The Share Capital of the Company shall be as specified in Clause V of the Memorandum of Association. The rights for the time being attached to the shares may be modified, abrogated, varied or dealt with in the manner and in accordance with the regulations of the Company and subject to the provisions of the Companies Act, 1956.
4. The Company shall have the power to divided the Share Capital for the time being into several classes of shares and to attach such preferential or other rights, privileges and conditions to such shares as may be determined in accordance with these Articles and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act or these Articles.

### **FURTHER ISSUE OF SHARES**

- 5 A (i). Where at the time after the expiry of two years from the formation of the Company or at any time after the expiry of the one year from the allotment of shares in the Company made for the first time after its formation. Whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares whether out of the unissued capital or out of the increased share capital then:
- a. Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion as near as circumstances admit, to the capital paid up on those shares at the date.
- b. Such offer shall be made by a notice specifying the number of shares offered and limited a time not less than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined.

- c. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
  - d. After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that the declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person(s) as they may think, in their sole discretion fit.
- (ii) Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) in any manner whatsoever.
- a. If a special resolution to that effect is passed by the Company in General Meeting, or
  - b. Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.
- (iii) Nothing in sub-clause (c) of (1) hereof shall be deemed:
- a. To extend the time within which the offer should be accepted; or
  - b. To authorise any person to exercise the right of renunciation for the second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (iv) Nothing in this articles shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:
- (i) To convert such debentures or loans into shares in the Company; or



- (ii) To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- a. Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by the Government in this behalf; and
- b. In the case of debenture or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

#### **SHARES AT THE DISPOSAL OF THE DIRECTORS**

- 5 B (i). Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. The length of each call shall be for a minimum period of Thirty days.

#### **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

- (ii) The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company

may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until, the same would but for such payment, become presently payable.

The provisions of these Articles shall mutates mutandis apply to the calls on debentures of the Company.

#### **THE COMPANY MAY BY ORDINARY RESOLUTION**

- 6 A (i). Increase the Share Capital on such terms and conditions and the resolution may describe;
- (ii) Consolidate its shares into shares of a larger amount than its existing shares;
  - (iii) Sub-divide its shares of a smaller amount than its existing shares;
  - (iv) Cancel any shares, which at the date of the passing of the resolution have not been taken or agreed, to be taken by any person;

And by Special Resolution reduce the Share Capital subject to the provisions of the Act.

#### **SHARE CERTIFICATES LIMITATION OF TIME FOR ISSUE OF CERTIFICATES**

- 6 B (i). Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the Directors may prescribe or approve provided that in respect of share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate

of shares to one of several joint holders shall be sufficient delivery to all such holder.

#### **ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST, DESTROYED**

- (ii) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificates lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu, thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provision of this Articles shall mutates mutandis apply to debentures of the Company.

- (iii) Share/Debenture Certificates shall be issued in marketable lots and where Share/Debenture Certificates are issued for either more or less then marketable lots, subdivision/consolidation into marketable lots shall be done free of charge.

#### **COMPANY'S LIEN ON SHARE/DEBENTURES**

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

8. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their member to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.
9. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which exists as is presently payable and 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 persons entitled to the shares at the date of the sale.

### **TRANSFER AND TRANSMISSION OF SHARES**

10. The Company shall keep a 'Register of Transfers', and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

### **INSTRUMENT OF TRANSFER**

11. The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of the transfer of shares and registration thereof.
12. The instrument of transfer duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by the order of the Board. The transferor shall be deemed to be the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer, the certificate or certificates of the shares must be delivered to the Company.
13. The Board shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulation in the district in which the Office of the Company is situated to close the Transfer Books, the Register of Members or Register of Debenture holders at such times and for such period or periods, not

exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

### **DIRECTORS MAY REFUSE TO REGISTER TRANSFER**

14. Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Transfer of Shares / Debentures in whatever lot shall not be refused.
15. Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.
16. In the case of death of any one or more of the persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
17. The executors or administrators or holders of a Succession Certificate of the legal representatives of a deceased member (not being one or two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate of Letters of Administration or Succession Certificate, as the case may be from duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letter of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

18. No shares shall in any circumstances be subscribed for by, or transferred to, any infant, or a person of unsound mind.
19. Subject to the provisions of the Act and Articles 12 and 13 any person becoming entitled to shares in consequence of the death, and any person becoming entitled to shares in consequence in lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence that it sustains the character in respect of which it proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.
20. A person entitled to share by transmission shall, subject to the right of the Board to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the shares.
21. No fee shall be charged by the Company for the following: viz.,
  - a) for registration of transfers of shares and debentures, or for transmission of shares and debentures.
  - b) for sub-division and consolidation of share and debenture certificates and for sub-division of letters of allotment, split, consolidation, renewal and transfer receipts into denominations corresponding to the market units of trading;
  - c) for sub-division of renounceable letter of right;
  - d) for registration of any power of attorney, probate, letter of administration, succession certificate, certificate of death or marriage or similar other document.
22. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company and the Company shall not be bound or

required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

- a. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share and whose name appears as the beneficial owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not (Except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.
- b. Notwithstanding anything obtained in the Articles of Association, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996, and to offer its shares, debentures and other securities for subscription in a dematerialised form. The Company shall further be entitled to maintain a Register of Members with the details of members holding shares both in material and dematerialised form in any media as permitted by law including any form of electronic media.
- c. The Company shall be entitled to dematerialise its existing shares, debentures and other securities, rematerialise its shares, debentures and other securities held in the Depositories and / or offer its fresh shares and other securities, in a dematerialised form pursuant to the Depositories act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
- d. Every person subscribing the securities offered by the Company shall have the option to receive securities certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner and required certificate of securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

e. All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, 1956, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

f. Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting, transfer of ownership of security on behalf of the beneficial owner.

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

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, which are held by a depository.

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

h. Notwithstanding anything contained in the Articles of Association, in the case of transfer of shares or other marketable securities, where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996, shall apply.

i. The Company shall keep a book to be called the Register of Transfers and therein shall be entered the particulars of every transfer or transmissions of any shares held in dematerialised form.

### **DIRECTORS**

23. The number of Directors shall not be less than three or more than twelve at any time.

24. The following persons are the Directors of the Company at the adoption of this Articles of Association;

- a. Sri. M. THANGAVELU
- b. Sri. M. RANGASWAMY
- c. Sri. K. KRISHNA MURTHY



(Nominee of Karnataka State Industrial Investment & Development Corporation Limited).

Sri. M. Thangavelu and Sri. M. Rangaswamy shall be the Directors of the Company for life and shall not be liable to retire by rotation or by reasons of age or otherwise.

Sri. M. Thangavelu shall be the Chairman of the Company and he shall hold such Office till his resignation or voluntary retirement and he shall not be liable to retire by rotation or by reasons of age or otherwise.

Sri. M. Thangavelu shall be the Managing Director of the Company for the First Five Years from 30<sup>th</sup> June 1994, subject however to Section 269 of the Act.

25. Whenever Directors enter into a contract with the Government of India or any State Government, any bank or financial institution or any person or persons (hereinafter referred to as 'the appointer') for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Directors shall have, subject to the provisions of Section 255 of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation. The Directors may also agree that any such Directors or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such Director or Directors ceasing to hold that Office for reason whatsoever. The Directors appointed or nominated under this Article shall be entitle to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and traveling expenses to such Director or Directors as my be agreed by the Company with the appointer.

- 25 a Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), Industrial Credit and Investment Corporation of India Limited (ICICI), the Industrial Reconstruction Bank of India Limited (IRBI), Life Insurance Corporation of India (LIC), Unit Trust of India (UTI), General Insurance Corporation of India (GIC), National Insurance Company Limited (NIC), The Oriental Insurance Company Limited (OIC), New India Assurance Company Limited (NIA), United India Insurance Company Limited (UI), or any other public financial institution within the meaning of Section 4A of the Act or a State Financial Corporation or any financial institution

owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by the Central Government or State Government by themselves (each of the above is hereinafter in this Article referred to as 'the Corporation') out of any loans / debentures assistance granted by them to the Company or so long as the Corporation holds or continues to hold debentures / shares in the Company as a result of underwriting or by direct subscription or private placement so long as any liability of the Company arising out of any guarantee furnished by the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time (which Director or Directors is / are hereinafter to as 'Nominee Director/s') on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s. Their number shall be excluded for the purpose of maximum number of Directors provided in these Articles.

- b. The Board of Directors of the Company shall have no power to remove from Office the Nominee Director/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligation as any other Director of the Company.
- c. The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain by the Company to the Corporation or so long as the Corporation holds or continues to hold debentures/shares in the Company as a result of underwriting or by direct subscription or by private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately on the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold debentures / shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.
- d. The Nominee Director/s appointed under the Article shall be entitled to receive all notice of and attend all General Meeting, Board Meetings and of the meetings of the Committee of which the Nominee Director/s is / are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- e. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission moneys and remuneration in relation to such

Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or directorships shall also be paid for reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

- f. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly to be paid by the Company directly to the Corporation.
- g. Provided also that in the event of the Nominee Director/s being appointed as Whole-time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company. Such Whole-time Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be, approved by the Corporation.
- 27. A Director shall not be required to hold any shares in the capital of the Company to qualify him for office.
- 28. If at any Annual General Meeting at which an election of Directors ought to take place, the place of any retiring Directors is not filled up he or she shall, if willing, continue in office until the Annual General Meeting in the next year and soon from year to year until his or her place is filled up, unless it shall be determined at such meeting (on due notice) to reduce the number of Directors in office or unless after the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost.
- 29 a If the Office of any Directors becomes vacant before the expiry of the period of his or her Directorship in normal course the resulting casual vacancy may be, filled by the Board at a meeting of the Board. Any person so appointed shall hold office only up to which the Director in whose place he or she if appointed would have held office if the vacancy had not occurred as aforesaid.
- b. The Board may, subject to the provisions of Section 313 of the Act, appoint and alternate Director in place of a Director who leaved the state in which the meetings of the Board are normally held.
- 30. Subject to Section 259 of the Act, the Company may from time to time in General Meeting increase or reduce the number of Directors.

31. Subject to the provisions of Section 198, 309, 310 and 311 of the Act, the Directors shall each be entitled to be paid a fee of Rs. 2000/- or such other amount as permissible under the Act, for every meeting of the Board, or of any committee of the Board, attended by him, besides traveling and other expenses reasonably incurred by him for attending such meetings.
32. Subject to Sections 198, 309 and 310 of the Act, the Board may remunerate any Director performing extra services or making any special exertions for any of the purposes of the Company either by a monthly payment or a specified percentage of the profits of the Company or in any other manner as the Board may determine, and the Company may, by special resolution, remunerate any Director by commission as provided by Section 309(4) of the Act.
33. The business of the Company shall be managed by the Directors who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to do except such of those things which are specifically to be done by the Company in General Meetings provided that in exercising such power or doing any such act or things the Board shall be subject to the provisions of the law for the time being in force or the Memorandum of Association or these Articles. No regulations made by the Company in General Meeting shall invalidate any prior act of the Directors, which would have been valid if that regulation had not been made.
34. Save as otherwise expressly provided in the Act a resolution in writing, signed by a majority of 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 shall be as valid and effectual as if it has been passed at a meeting of the Board or Committee duly convened and held.

#### **MANAGING DIRECTOR AND WHOLE TIME DIRECTOR**

35. Subject to the provisions of Section 267, 268, 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors of the Company, or Executive Director or whole Time Director and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place of places.
36. Subject to the provisions of the Act and subject to such approval of the Central Government as may be required for the purpose, the Managing Director, Executive Director and the Whole time Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company in General Meeting.

37. The Managing Director shall subject to the supervision and control of the Board of Directors have the management of all the affairs and business of the Company and of all its assets and he shall have power to do all acts and things which he shall consider necessary or desirable in the management of the affairs of the Company and to exercise and perform all the powers and duties vested in him for the time being by and resolution of the Board.

### **CHAIRMAN**

- 38 a The Board may elect a Chairman of its meeting from among the Directors of the Company and determine the period for which he is to hold office. The Chairman of the Board shall preside as Chairman at every General Meeting of the Company. In the event of any vacancy arising in the office of the Chairman, one among the Board of Directors shall be elected as the Chairman by the Board of Directors and such person shall hold office as Chairman for such period as may be determined by the Board provided that such person continue to hold office as a Director. If such person retires from his office as a Director at any Annual General Meeting and is re-elected at the same meeting he shall continue to be Chairman for the said period and a fresh appointment as Chairman shall not be necessary.
- b. The Chairman of the Board appointed in pursuance of this Articles shall not be subject to retirement by rotation.
- c. The Chairman of the Board shall be entitled to take the Chair, at every meeting of the Board. If at any meeting of the Board, he shall not be present within thirty minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the Chair, then the Managing Director shall entitled to take the Chair and failing him the Directors present may choose one of their number to be the Chairman of that meeting.
39. Question arising at any meeting of the Board shall be decided by a majority of vote and in the case of and equality of vote, the Chairman shall have a second or casting vote.

### **BORROWING POWER**

- 40 a Subject to the provisions of Section 58A, 292, 293 and other applicable provisions of the Act, the Directors may from time to time at their discretion borrow and secure the payment of any sum or sums of moneys for the purpose of the Company.
- b. The Directors may secure the payment of such moneys in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of debentures, bonds, redeemable debentures or debentures stock of the

Company charged upon all or any part of the property of the Company both present and future including its uncalled capital.

#### TERM OF ISSUE OF DEBENTURE

- c. Any debenture, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
- d. 'Debenture / Debenture Stock, Loan / Loan Stock, bonds or other securities conferring the right to allotment or conversion into shares or the option or right to call for allotment of shares not be issued except with the sanction of the Company in General Meeting.

#### THE SEAL

- 41 a The Board shall provide for the safe custody of the Seal.
- b. Subject to any statutory requirements as to share certificates or otherwise the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf and except in the presence of atleast one Director and of the Secretary or such other person as the Board may appoint for the purpose; and the Director and the Secretary or other person as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.
- c. The Company may exercise the power conferred by Section 50 with regard to having an official seal for use abroad, and such power shall be vested in the Board.

#### SECRECY

- 42. No member shall be entitled to visit or inspect the Company's works without the permission of the Board of Directors or the Managing Director or to require disclosure of any information respecting any detail of the Company's trading or any matter which may be in the nature of trade secret, mystery of trade or secret process, which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to Communication to the public.

## INDEMNITY

43. Every Directors, Secretary and other Officer or employee for the time being of the Company, shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court and without prejudice the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Register of Companies or comply with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.

## UNPAID OR UNCLAIMED DIVIDEND

44. Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 42 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 42 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend of Maris Spinners Limited" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred by the Company to the general revenue account of the Central Government. A claim to any money so transferred to the general account may be preferred to the Central Government by the shareholders to whom the money is due.

No unclaimed or unpaid dividend shall be forfeited by the Board and the Company shall comply with the provisions of Section 205(A) of the Companies Act in respect of such dividends.

2. FURTHER RESOLVED THAT the Directors do hereby undertake that pending the amendment of the Article of Association of the Company at the next General Meeting as herein before mentioned the Directors of the Company will act in consonance with the terms of the proposed amendments to the Articles of the Company.

Sl. No	Signature, Names, Father / Husbands's Name, Address, Description and Occupation of the Subscriber.	Signature, Names, Father's Name, Address, Description and Occupation of the Witness.
1.	Sd/- <b>MARIYA PILLAI THANGAVELU</b> S/o. Mariya Pillai, 609, 1 <sup>st</sup> Stage, Indira Nagar, Bangalore - 560 038, Occ - Planter.	
2.	Sd/- <b>MARIYA PILLAI RENGASWAMY</b> S/o. Mariya Pillai, 23, Krishnamachari Road, Madras - 600 034. Occ - Business	Sd/- <b>N. C. SUNDARARAGHAVAN</b> (Nalani Chakravarthy Sundararaghavan) S/o. N. C. Srinivasan, No. 25, North Park Road Cross, Kumara Park East, Bangalore. Occ- Chartered Accountant.
3.	Sd/- <b>MARIYA PILLAI RAMASWAMY</b> S/o. Mariya Pillai, Teddington, Quail Hill, Coonoor - 1. Occ - Planter	
4.	Sd/- <b>RAMASWAMY PILLAI.</b> <b>SITHAMBARAM PILLAI,</b> S/o. Ramaswamy Pillai, Tattapallam Estates, Tattapallam Post, Nilgiris. Occ - Planter.	

Dated this 29<sup>th</sup> day of August 1979 at Bangalore.