

(THE COMPANIES ACT,2013)
(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION
OF
CHETTINAD CEMENT CORPORATION LIMITED

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| 1. The regulations contained in Table 'F' in Schedule-I of the Companies Act, 2013 shall not apply to the Company except in so far they are embodied in the following Articles, which shall be the regulations for the management of the Company. | Table 'F' not to apply |
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DEFINITIONS AND INTERPRETATION

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| 2. In these Articles, unless repugnant to the subject or context, the following terms shall have the meaning ascribed to them as under: | Definitions |
| <p>(i) The 'Act' means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force, read with the subsisting provisions of the Companies Act, 1956 in force. Any reference to the Act in these Articles shall be construed as a reference to the applicable provisions of the said Act which relates to the Article in which the said term has been used in these Articles;</p> <p>(ii) "Articles" means these articles of association of the Company, as amended from time to time in accordance with the provisions of the Act;</p> <p>(iii) 'Board' or the 'Board of Directors' means the collective body of the directors of the Company;</p> <p>(iv) 'Company 'means 'Chettinad Cement Corporation Limited';</p> <p>(v) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act;</p> | |
| 3. In these Articles, unless repugnant to the subject or context: | Interpretation |
| <p>(i) Words importing the singular shall include the plural and words importing the plural shall include the singular.</p> <p>(ii) Words importing the masculine gender shall include the</p> | |

feminine and neuter gender and vice-versa.

- (iii) Headings and marginal notes, if any, have been inserted for convenience of reference and shall not affect the construction and interpretation of these Articles.
- (iv) Words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.

GENERAL AUTHORITY

4. Subject to these Articles, wherever in the Act it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its Articles, then and in that case, by virtue of this Article, the Company is hereby specifically authorised, empowered and entitled to have such right, privilege or authority, and to carry out such transactions as have been permitted by the Act, without there being any separate regulations being contained in these Articles on that behalf. Without limiting the general authority conferred under this Article, the Company shall have full right, privilege and authority to carry out the transactions as set out below under the relevant sections of the Act:
- General
authority of the
Company**
- (i) 40 To pay commission in connection with subscription to its securities
 - (ii) 43 To issue shares with differential rights as to dividend, voting or otherwise
 - (iii) 48 To alter the rights of shareholders.
 - (iv) 50 To accept unpaid share capital although not called up.
 - (v) 51 To pay dividend in proportion to amount paid-up.
 - (vi) 54 To issue sweat equity shares
 - (vii) 55 To issue redeemable, cumulative, convertible preference shares.
 - (viii) 61 To alter the share capital of the Company.
 - (ix) 66 To reduce the share capital of the Company (read with Section 100 of the Companies Act, 1956)
 - (x) 68 To buy back its shares.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. (i) The Authorized Share Capital of the Company shall be as given in the Clause V of the Memorandum of Association of the Company.
- Share Capital**

- (ii) The Company shall in accordance with these Articles, have the power to increase or reduce its capital and to sub-divide the shares in the capital for the time being into shares of smaller denominations or divide them into several class(s) of shares and to attach thereto respectively, such preferential rights or privileges or conditions as may be determined by or in accordance with the Articles of the Company.
6. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same to such persons in such proportion, on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. **Shares under control of Board**
7. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business. Any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be. **Directors may allot shares otherwise than for cash**
8. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws: **Kinds of Share Capital**
- (a) Equity share capital:
- (i) with voting rights; and / or
- (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
- (b) Preference share capital.
9. (i) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to: **Further issue of capital**
- (a) Persons who, at the date of offer, are holders of equity shares of the Company. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

- (b) Employees under any scheme of employees' stock option; or
 - (c) Any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.
 - (ii) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.
10. Subject to the provisions of the Act, the Company shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act. **Power to issue redeemable preference shares**
11. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive: **Issue of certificates**
- (a) one certificate for all his shares without payment of any charges;
 - (b) several certificates, each for one or more of his shares, subject to such conditions and upon payment of such charges as specified by the Board from time to time.
- (ii) Every share certificate shall specify the shares to which it relates and the amount paid thereon.
- (iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one or several joint holders shall be sufficient delivery to all such holders.
12. Notwithstanding anything contained in these Articles, a person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the shares to enable the **Shares dealt in Depository Mode**

depository to enter in its records the name of such person as the beneficial owner of that share.

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| 13. | If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued subject to such conditions and upon payment of such charges as specified by the Board from time to time. | Issue of new certificate in place of those lost or destroyed. |
| 14. | The provisions of foregoing Articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company. | Provisions as to issue of certificates to apply <i>mutatis mutandis</i> to debentures etc. |
| 15. | Except as otherwise required by law or provided under these Articles, or as ordered by a Court of competent jurisdiction, the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. | Trust not Recognized |
| 16. | <p>(i) The Company may exercise the powers of paying commission conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.</p> <p>(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed under the Act or Rules thereunder.</p> <p>(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way or partly in the other.</p> | Commission for Placing Shares |
| 17. | (i) If at any time the share capital is divided into different classes | Variation of |

of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, 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 meeting of the holders of the shares of that class, as prescribed under the Act.

Rights

- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

- 18. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly 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 *paripassu* therewith.

Issue of further shares not to affect rights of existing members

LIEN

- 19. (i) The Company shall have a first and paramount lien:
 - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully paid shares) standing, registered in the name of a member, for all monies presently payable by him or his estate to the Company:

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (ii) The Company's lien, if any on a share shall extend to all the dividends payable and bonuses declared from time to time in respect of such shares

Company's lien on shares

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

Enforcing Lien by Sale.

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
 - (b) 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 or the person entitled thereto by reason of his death or insolvency or otherwise.
21. (i) To give effect to such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. **Authority to Transfer**
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer. **Purchaser to be registered holder**
- (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. **Purchaser not affected**
22. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. **Application of Proceeds of Sale**
- (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 the sale.
23. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.

CALLS ON SHARE

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

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
 - (iii) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstance.
 - (iv) A call may be revoked or postponed at the discretion of the Board.
25. (i) The Board of Directors, may when making a call by resolution determine the date on which such call shall be deemed to have been made not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no such date as aforesaid is fixed the call shall be deemed to have been made on the date on which the resolution of the Board making the call was passed.
- (ii) A call may be required to be paid by instalments.
26. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. **Liability of Joint Holders**
27. (i) If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the date appointed for payment thereof to the time of actual payment at such rate as may be fixed by the Board. **Interest on call**
- (ii) The Board shall be at liberty to waive payment of that interest wholly or in part.
28. (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 purposes of these articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. **Sums deemed to be calls**

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| <p>(ii) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p> | <p>Effect of non-payment of sums</p> |
| <p>29. The Board:</p> <p>(a) may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him; and</p> <p>(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends; or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.</p> | <p>Payment of calls in Advance</p> |
| <p>30. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares, nor any part payment or satisfaction thereof, nor the receipt by the Company of a portion of any share, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as provided in these Articles.</p> | <p>Part payment not to preclude forfeiture</p> |
| <p>31. The provisions of these Articles relating to calls shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p> | <p>Provisions as to calls to apply</p> |

TRANSFER OF SHARES

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| <p>32. (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.</p> <p>(ii) The transferor shall be deemed to remain a holder of the shares until the name of the transferee is entered in the register of members in respect thereof.</p> | <p>Instrument of transfer</p> |
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33. The Board may, subject to the right of appeal conferred by the Act decline to register:
- Board's may decline to register transfer**
- (a) the transfer of a share, whether fully paid or not, to a person of whom they do not approve; or,
 - (b) any transfer of shares on which the Company has a lien.
34. In case of shares held in physical form, the Board of Directors may also decline to recognize any instrument of transfer unless:
- (a) the instrument of transfer is in the form and complies with other requirements as prescribed under the Act and Rules thereunder;
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
 - (c) the instrument of transfer is in respect of only one class of shares.
35. 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 beyond such period as allowed under the provisions of the Act and Rules thereunder.
36. The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

TRANSMISSION OF SHARES

37. (i) In the event of the death of any sole holder, the nominee(s) or legal representatives of such person legally entitled to the shares alone shall be entitled to be recognized by the Company as having any title to the interest of the deceased shareholder(s) in the shares.
- Title to shares on death of a member**

In the event of death of any one or more of several joint

holders, the survivor or survivors alone shall be entitled to be recognized by the Company as having any title to the interest of the deceased shareholder(s) in the shares.

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

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

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| 38. | (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject to as hereinafter provided, elect, either: <ul style="list-style-type: none">(a) to be registered himself as holder of the share; or(b) to make such transfer of the share as the deceased or insolvent member could have made. | Rights of such persons |
| | (ii) The Board shall, in either case, have the same rights to decline or suspend registration as it would have had if the deceased or insolvent Member had transferred the share before his death or insolvency. | |
| 39. | The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer. | Indemnity to the Company |
| 40. | (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. <ul style="list-style-type: none">(ii) If the person aforesaid shall elect to transfer the shares, he shall testify his election by executing a proper instrument of transfer of the share. | Notice of election by such person |

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice of 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.

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

Rights to dividend etc.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

42. The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.
43. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares, transfer and transmission of shares shall be applicable to shares held in a depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act, 1996 or such other regulations for the time being in force.

Provisions as to transmission to apply *mutatis mutandis* to debentures etc.

Provisions of Articles to apply to shares held in a depository

FORFEITURE OF SHARES

44. If a member fails to pay any call, or installment of a call, or any money due in respect of any share on the day appointed for the payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any

Notice may be given non-payment of call or instalment

interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

45. The notice aforesaid shall: **Form of notice.**
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) shall 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 forfeited.
46. If the requirements of any such notice as aforementioned are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares, and not actually paid before the forfeiture. **Forfeiture of Shares**
47. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.
48. (i) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit. **Forfeited shares to be sold etc.**
- (ii) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
49. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited share, but shall, notwithstanding the forfeiture, remain liable to pay to the Company, and shall forthwith pay, all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares, together with interest and other costs in accordance with these Articles. **Liability after forfeiture**

- (ii) The liability of such person shall cease if and when the Company receives payment in full of all such monies in respect of the shares.
 - (iii) The Board may, if they think fit, remit the payment of such interest or any part thereof.
50. (i) A duly verified declaration in writing that the declarant is a director, 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 the 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 the sale, re-allotment or disposition thereof, and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The said transfer shall constitute a good title to the share, in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.
51. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum, which by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.
52. Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payments of any money due from him, either alone or jointly with any other person to the Company in respect of calls or otherwise.
53. The provisions of these Articles relating to forfeiture of shares shall

Declaration

Non-payment of sums payable at fixed times.

Set off money

Provisions as to

mutatis mutandis apply to any other securities including debentures of the Company.

forfeiture of shares to apply *mutatis mutandis* to debentures etc.

ALTERATION OF CAPITAL

54. Subject to the provisions of the Act, the Company may, by ordinary resolution:

Power to alter share capital

- (a) Increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
- (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum;
- (e) 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.

55. Where shares are converted into stock:

Rights of stockholders

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation

in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;

- (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder / member” in these Articles shall include “stock” and “stock-holder” respectively.

56. The Company may, by resolution as prescribed under the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules:

Reduction of capital

- (a) its share capital;
- (b) any capital redemption reserve account;
- (c) any securities premium account;
- (d) any other reserve in the nature of share capital.

57. Where as a result of any corporate action with respect to the share capital of the Company, including any consolidation of shares of the Company, any member(s) would become entitled to a fraction of a share of the Company, such fractions shall be consolidated (to the extent possible) and the shares resulting therefrom shall be held by any director(s) or person(s) nominated (“**Nominee**”) by the Board in this behalf, in trust for the members so entitled to the said fractions in proportion to their respective entitlements. The directors or Nominees (as the case may be) may, acting on behalf of the members, sell the shares resulting from consolidation of such fractional entitlements of members, at such price and on such terms and to such person as the Board may deem fit and distribute the net proceeds of the sale in due proportion amongst the members entitled. The directors or Nominees shall be authorized to execute any instrument, deed, document etc. for transfer of shares to the purchaser, or in accordance with the directions of the purchaser. The transferee shall not be bound to see the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale. No member shall be entitled to a fraction of a share except in the manner and to the extent stated hereinbefore, and the Company shall not issue any certificate or coupon in respect of such fractional

Fractional Entitlements

shares.

CAPITALISATION OF PROFITS

58. (i) The Company in general meeting may, on the recommendation of the Board, resolve: **Capitalisation**
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss Account or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in sub-clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividends and in the same proportion.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in sub-clause (iii) either in or towards:
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (B) paying up, in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
 - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).
- (iii) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
- (iv) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
59. (i) Whenever such a resolution as aforesaid shall have been **Powers of the**

passed, the Board shall:

**Board for
capitalisation**

- (a) make all appropriations and applications of the amounts resolved to be capitalised, thereby, and all allotments and issues of fully paid shares or other securities , if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have full power:
- (a) to make such provisions, by the issue of fractional certificates / coupons or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (b) 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 other securities to which they may be entitled upon such capitalisation, 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 amount or any part of the amounts remaining unpaid on the existing shares.
- (iii) Any agreement made under such authority shall be effective and binding on all such members.

BUY BACK OF SHARES OR OTHER SECURITIES

60. Notwithstanding anything contained in these articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

**Buy-back of
shares or other
securities**

GENERAL MEETINGS

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

**Extraordinary
general meeting**

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| 62. | (i) The Board may, whenever it thinks fit, call an extraordinary general meeting. | Powers of Board to call an extraordinary general meeting |
| | (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board. | |

PROCEEDINGS AT GENERAL MEETING

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| 63. | (i) No business shall be transacted at any general meeting, unless a quorum of members is present at the time when the meeting proceeds to business. | Quorum |
| | (ii) The quorum for a general meeting shall be as provided in the Act. | |
| 64. | (i) The Chairperson, if any, of the Board of Directors, shall preside as Chairperson at every general meeting of the Company. | Chairperson |
| | (ii) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant. | |
| 65. | If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting. | Directors to elect a Chairperson |
| 66. | If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting. | Members to elect Chairperson |
| 67. | In case of an equality of vote, whether on show of hands or on a poll, the Chairman of the meeting shall have a casting vote in addition to the vote or votes to which he may be entitled as a member. | Casting vote of Chairperson in general meetings |

ADJOURNMENT OF MEETING

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| 68. | (i) The Chairperson may, with the consent of any meeting at | Adjournment |
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which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

of meeting

- (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 nearly as may be in the case of an original meeting.
- (iv) Save as aforesaid, and as provided under the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

69. Subject to any rights or restrictions for the time being attached to any class or classes of shares:

Votes.

- (a) On a show of hands, every member present in person shall have one vote;
- (b) On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

70. A member may exercise his vote at a meeting by electronic means in accordance with the provisions of the Act and shall vote only once.

Voting through electronic means

71. In the case of joint holders, the vote of the first named of such joint holders who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Joint Holders

72. 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. If any member be a minor, the vote in respect of his share(s) shall be cast by his guardian or any of his guardians.

Members of unsound mind

73. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at

Business may proceed notwithstanding

any time by the person or persons who made the demand.

demand for poll

74. 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, or in regard to which the Company has exercised any right of lien.

Members not entitled to vote

PROXY

75. (i) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as a proxy to attend and vote at the meeting on his behalf.

Member may vote in person or otherwise

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

76. An instrument appointing a proxy shall be in such form as prescribed under the Rules.

Form of proxy

77. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or of the authority under which the proxy was executed, or revocation of the proxy or transfer of the share in respect of which the proxy is given.

Proxy valid after death

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

BOARD OF DIRECTORS

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| 78. | The Managing Director of the Company shall not be liable to retire by rotation, so long as he holds the said office. The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement by rotation. | Directors not liable to retire by rotation |
| 79. | <p>(i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</p> <p>(ii) The remuneration payable to the directors, including any managing or whole time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by the Board of Directors / shareholders of Company as applicable.</p> <p>(iii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses property incurred by them:</p> <p style="margin-left: 40px;">(a) In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or</p> <p style="margin-left: 40px;">(b) In connection with the business of the Company.</p> | Remuneration of directors |
| 80. | All cheques, promissory notes, drafts, <i>hundis</i> , bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine. | Execution of negotiable instruments |
| 81. | <p>(i) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided that the number of directors and additional directors together shall not exceed the maximum strength of the Board in accordance with the provisions of the Act.</p> <p>(ii) Such person shall hold office only up to the date</p> | Additional Directors |

of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

82. (i) The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless under the provisions of the Act.
- (ii) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
- (iii) If the term of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

Alternate Directors

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

Casual Vacancy

POWERS OF THE BOARD

84. Subject to the provisions of the Act, these Articles and any regulations as may be made by the members in a General Meeting, the general management and control of the Company shall vest in the Board, which may exercise all powers and carry out all acts and things as the Company is by the Memorandum of Association or otherwise authorized to exercise and do and which are not by these Articles or by the Act or by the Memorandum or otherwise directed or required to be exercised or done by the Company in general meeting. The Board shall, however, exercise its powers subject to the provisions of the Act, the Memorandum and

General powers of the Company vested with the Board

these Articles and any regulations not inconsistent therewith and duly made thereunder by the Company, but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

85. Without limiting the foregoing, the Board may from time to time, at their discretion, exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures, debenture-stocks, and other securities whether out-right or as security for any debts, liability or obligation of the Company. Any debentures, debenture-stock, and other securities may be issued at a discount, premium or otherwise and may be issued on condition that the same shall be convertible into shares of any denomination and with any privileges and conditions as to security, redemption, surrender, drawing, allotment of shares, attending (but not voting) at general meetings, appointment of directors and otherwise. Debentures with the right of conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting in accordance with the provisions of the Act.
86. A director nominated or appointed by the Government of India, State Government or any finance or credit Corporation, or financing body or Company under these Articles shall be entitled to attend the General Meetings of the Company as well as the board meetings and the meetings of any committee of which he is a member and shall be entitled to receive all notices of such meetings as also the minutes thereof.

Borrowing powers

Nominee Director

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), the Industrial Credit and Investment Corporation of India Limited (ICICI) and Life Insurance Corporation of India (LIC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or

any other Financing Company or Body (each of which IDBI, IFCI, ICICI, LIC and UTI or any other Finance Corporation or Credit Corporation or any other Financing Company or Body is herein-after in this Article referred to as "**the Corporation**") continue to hold debentures in the Company by direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a non-executive director or directors(which director or directors is/are hereinafter referred to as "**Nominee Director/s**") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

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 retire by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same, rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the money's 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.

The Nominee director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, 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.

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

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 be paid by the Company directly to the Corporation.

Provided Further that if such Nominee Director/s is an officer of the Reserve Bank of India the sitting fees in relation to such Nominee Director/s shall also accrue to RBI and the same shall accordingly be paid by the Company directly to RBI.

87. The participation of the directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or

**Meeting through
videoconferencing**

teleconferencing, or any other means as may be prescribed by the Rules or permitted by law.

PROCEEDINGS OF THE BOARD

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| 88. | (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. | Convening etc. of meetings of the Board |
| | (ii) The Chairperson or any one director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board. | |
| | (iii) The quorum for a Board meeting shall be as provided in the Act. | |
| | (iv) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, or such other means as may be prescribed by the Rules or permitted by law. | |
| 89. | (i) Save as otherwise expressly provided in the Act, any question arising at any meeting of the Board shall be decided by a majority of votes. | Questions how decided |
| | (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote. | |
| 90. | The continuing directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company but for no other purpose. | Directors not to act when number falls below minimum |
| 91. | (i) The Board may from time to time and at any time appoint one of their body to be the Chairperson of the Board of Directors and determine the period for which he is to hold the said office. | Election of Chairperson of the Board |
| | (ii) The same individual may, at the same time, be appointed as the Chairperson of the Company as | |

well as the Managing Director or Chief Executive Officer of the Company.

- (iii) If no such Chairperson is elected or if at any meeting the Chairperson 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 Chairperson of the meeting.
92. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. The Board may from time to time revoke, add to or vary any powers so delegated by it to said committees. **Delegation of powers**
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- (iii) The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, or any other means as may be prescribed by the Rules or permitted by law.
93. (i) A committee may elect a Chairperson of its meetings, unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee. **Election of Chairman of the Committee**
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
94. (i) A committee may meet and adjourn as it thinks fit. **Meetings of Committees of the Board**
- (ii) The quorum of a committee may be fixed by the Board of Directors and until so fixed shall comprise of two members.
- (iii) Questions arising at any meeting of a committee shall be determined by a majority of votes of members present, and in case of an equality of

votes, the Chairperson shall have a second or casting vote.

95. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it maybe afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director had been duly appointed and was qualified to be a director. **Validity of acts done by Board or committee thereof**
96. Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held. **Passing of resolution by circulation**

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

97. Subject to the provisions of the Act:
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of resolution of the Board. The Board may appoint one or more chief executive officers for its multiple business as it deems fit.
 - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
98. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being

done by or to same person acting both as director and as, or in place of chief executive officer, manager, company secretary or chief financial officer.

MANAGING DIRECTOR OR WHOLE TIME DIRECTOR

99. The Board may, from time to time, appoint one or more directors of the Company as Managing Director(s) or whole-time director(s) of the Company for such period and on such remuneration and other terms, as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such appointment.

Appointment of Managing Director or whole-time director

100. The Managing Director shall, subject to the provisions of the Act, the Memorandum of Association and these Articles and also subject to the superintendence, control and direction of the Board of Directors, have power to do all acts and things which the Managing Director shall think usual, necessary or desirable in the management of the affairs of the Company. Without prejudice to their general powers conferred hereby the Managing Director shall have the following powers:

Power of the Managing Director

- (a) To sell for cash or on credit and either wholesale or in retail and for ready or future delivery and realise the proceeds of sale of property, movable or immovable or any rights or privileges belonging to the Company or in which the Company is interested or over which the Company may have any such power of disposal, and to exchange any such property or rights belonging to the Company for other property or rights, subject to the prior approval of the Board of Directors.
- (b) To execute all deeds, agreements, contracts, receipts and other documents that may be necessary or expedient for the purposes of the Company and to make and give receipts, releases and other discharges for moneys or goods or property received in the usual course of business of the Company or lent or payable to or belonging to the Company and for the claims and demands of the Company.

- (c) To institute, conduct, defend, compound or abandon any actions, suits and legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings.
- (d) To enter into, vary or cancel all manner of contracts on behalf of the Company.
- (e) To engage and in their discretion to remove, suspend, dismiss and remunerate bankers, legal advisers, accountants, officers, assistants, cashiers, clerks, agents, commission agents, dealers, brokers, foremen, servants, employees of every description and to employ and to remunerate such professional or technical or skilled assistants as from time to time may, in their opinion, be necessary or advisable in the interests of the Company and upon such terms as to duration of employment, remuneration or otherwise and may require security in such instances and to such amounts as they think fit, provided however that the appointment or removal etc. of any staff drawing emoluments totaling Rs.1,00,00,000/- per month or above shall be only with the approval of the Board of Directors.
- (f) To acquire by purchase, lease, exchange, pledge, hypothecation or otherwise transfer lands, estates, fields, buildings, officers, show rooms, godowns and other buildings in the State of Tamil Nadu or elsewhere, machinery, engine, plant, rolling stock, tools, machine tools, outfits, stores, hardware, and any other materials of whatever descriptions, either on credit or for cash and for present or future delivery subject to the provisions of the Act.
- (g) To plan, develop, improve, cut down, process, sell, or otherwise dispose of the products of the Company and to incur all expenses in this behalf.
- (h) To enter into all such negotiations and contracts and rescind and vary all such contracts and exercise and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes

of the Company.

- (i) To open current and time deposit accounts or other accounts with banker or bankers and to operate on such accounts and also when necessary to overdraw or take loans on such accounts on the security of the Company or any of its assets.
- (j) To draw, accept, endorse, discount, negotiate and discharge, on behalf of the Company, all bills of exchange, promissory notes, cheques, hundies, drafts, railway receipts, dock warrants, delivery orders, Government promissory notes, other Government instruments, bonds, debentures or debenture stock of Corporation, Local bodies, Port Trusts, Improvement Trusts, or other corporate bodies and to execute transfer deeds for transferring stock, shares or stock certificates of the Government and other local or corporate bodies in connection with any business or any subject of the Company.
- (k) To borrow from time to time such sums of money for the purposes of the Company upon such terms as may be expedient and with or without security, as may be sanctioned by the Board of Directors from time to time.
- (l) To receive and give effectual receipts and discharge on behalf of and against the Company for moneys, funds, goods, or property lent, payable or belonging to the Company or for advances against the goods of the Company.
- (m) To make or receive advances of money, goods, machinery, plant and other things by way of sale, mortgage, hypothecation, lien, pledge, deposit, or otherwise in such terms as the Managing Directors may deem fit, subject to the decision of the Board of Directors.
- (n) To submit to arbitration and enforce the fulfilment of awards, regarding any claims in which the Company may be interested, to adjust, settle or compromise any claims due to or by the Company and to give to debtors of the Company time for payment.
- (o) To obtain all kinds and categories of insurance.

- (p) To delegate all or any of the powers, authorities and discretions for the time being vested in the Managing Directors and also from time to time provide by the appointment of an attorney or attorneys to sign, seal, execute, deliver, register or cause to be registered all instruments, deeds, documents or writings, usually necessary or expedient for any of the purpose of the Company subject to the provisions of the Companies Act.

Provided that the Managing Directors shall not exercise the power to:

- (a) Make calls on shareholders in respect of moneys unpaid on shares in the Company, except with the sanction of the Board of Directors.
- (b) Borrow moneys except within the limits previously fixed up by the Board of Directors.
- (c) Invest the funds of the Company except with the approval of the Board of Directors.
- (d) Make loans except within the limits previously fixed up by the Directors at a Board Meeting.

Provided also that the Managing Director shall not exercise any of the following powers except after obtaining the previous approval of the Board of Directors of the Company in regard to each such exercise:

- (a) Power to purchase capital assets for the Company except where the purchase price is within the limits prescribed by the Board in this behalf;
- (b) Power to sell the capital assets of the Company, except where the sale price is within the limits prescribed by the Board in this behalf;
- (c) Power to compound or sanction the extension of time for the satisfaction or payment of any claim or demand of the Company against the Managing Director.
- (d) Power to compound any claim or demand made against the Company (including any debt claimed to be due from it) by the Managing Director.

DIVIDENDS AND RESERVES

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| 101. | (i) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. | Declaration of Dividends |
| | (ii) The Company in general meeting may declare dividend at a rate lesser than that declared by the Board. | |
| 102. | Subject to the provisions of the Act, the Board may, from time to time, pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit. | Interim Dividends |
| 103. | (i) The Board may, before recommending any dividend, set aside out of the profits of the Company, such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and, pending such application, may at the like discretion, either be employed in the business of the Company, or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. | Reserve funds |
| | (ii) The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as reserve. | |
| 104. | (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid. | Division of profits |
| | (ii) No amount paid or credited as paid on a share in advance of calls shall be treated, for the purposes of this regulation, as paid on the share. | Payments in advance |
| | (iii) 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 dividends as from a particular | Dividends to be apportioned |

date, such shares shall rank for dividends accordingly.

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| 105. | (i) 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 in the Company. | Deductions or retentions |
| | (ii) The Board may at its sole discretion and without being obligated to do so, retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares. | |
| 106. | (i) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. | Payment by cheque or warrant |
| | (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. | |
| 107. | Any one of 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. | Receipt of Joint holders |
| 108. | No dividend shall bear interest against the Company. | No interest |
| 109. | Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer. | Transfer of shares shall not pass dividends |
| 110. | The waiver in whole or in part of any dividend on any share(s) by any document shall be effective only if such document is signed by all the member(s) entitled to the share(s) (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the | Waiver of dividends |

Board.

ACCOUNTS

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| 111. | No member (not being a director) shall have any right of inspecting any books of account or books and papers or documents of the Company except as conferred by law or authorized by the Board | Restriction on inspection by members |
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STATUTORY REGISTERS ETC. AND INSPECTION THEREOF

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| 112. | <p>(i) The Company shall keep and maintain statutory registers and records such as register of charges, register of members, register of debenture holders, register of any other security holders, annual returns, register of loans, guarantees, security and acquisitions, register of investments not held in its own name, register of contracts and arrangements etc. at the registered office of the Company or at such other place, if allowed by the Act or the Rules thereunder, as may be approved by the Board.</p> <p>(ii) Any statutory register or record which is required to be open for inspection by any member or other person, shall be open for inspection:</p> <ul style="list-style-type: none">(a) At the place where they are maintained, or any other place as approved by the Board subject to the provisions of the Act or Rules thereunder;(b) Upon payment of such fees, if allowed to be charged by the provisions of the Act or Rules thereunder, as may be stipulated by the Board from time to time;(c) during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays, unless the Act or the Rules require them to be open for inspection beyond such hours. <p>(iii) Wherever, in accordance with the provisions of the Act or any law in force, a member or other person is entitled to be furnished with a copy or extract of any documents, records, registers etc. maintained by the Company, including but not limited to books containing minutes of general</p> | Inspection of records etc. by members |
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meetings of the Company, then, such member shall, upon request, be provided with a copy or extract of such document, record, register etc. upon payment of such amount for each page or part of any page, as specified by the Board of Directors of the Company.

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| 113. | <p>(i) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it thinks fit respecting the keeping of any such register.</p> <p>(ii) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, <i>mutatis mutandis</i>, as is applicable to the register of members.</p> | Foreign register |
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SERVICE OF DOCUMENTS AND NOTICE

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| 114. | Each registered holder of shares shall from time to time notify in writing to the Company some place in India to be registered as his address and such registered place or address shall for all purposes be deemed his place of residence. | Members duty to notify address |
| 115. | A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the Register of Members in respect of the share. | Notice to joint holders |

WINDING UP

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| 116. | Subject to the provisions of applicable laws: | Winding up |
| | <p>(i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to</p> | |

be divided as aforesaid and may determine how such divisions shall be carried out as between the members or different classes of members.

- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

117. (i) Subject to the provisions of the Act, every director, manager, secretary, or other officer for the time being of the Company shall be indemnified by the Company against all costs, losses and expenses which any such director, manager, secretary or other officer may incur or become liable to by reason of any contract entered into or act or deed done, concurred in or omitted in or about the execution of his duty or supposed duty in his office or advise except such (if any) as he shall incur through his own willful neglect or default respectively and no such director, manager, secretary or officer shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipt for the sake of conformity or for any bankers, or other persons with whom any money or assets belonging to the Company shall or may be lodged or deposited for safe custody or for any loss, misfortune or damage which may happen in the execution of his office or advice in relation thereto unless the same shall happen by or through his own willful neglect or default.
- (ii) Subject as aforesaid the director, manager, secretary, or other officer of the Company shall be indemnified against any liability incurred by them or him in defending any proceedings whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application in which relief is given to him by the Court.
- (iii) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and / or formers and key managerial

Indemnity

personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

S. No.	Names, Addresses, Descriptions and occupation of subscribers	No. of shares taken by each subscriber	
		Preference	Equity
1.	Dr. Rajah Sir M.A. Muthiah Chettiar of Chettinad, S/o Rajah Sir Annamalai Chettiar of Chettinad, Merchant & Industrialist, “Chettinad House”, Rajah Annamalaipuram, Madras 28.		500
2.	Rani Lady Meyyammai Achi of Chettinad, W/o Dr. Rajah Sir Muthiah Chettiar of Chettinad, “Chettinad House”, Rajah Annamalaipuram, Madras 28.		100
3.	Kumararajah M.A.M. Muthiah Chettiar, S/o Dr. Rajah Sir Muthiah Chettiar of Chettinad, Merchant & Industrialist, “Chettinad House”, Rajah Annamalaipuram, Madras 28.		500
4.	Kumararani Meena Muthiah, W/o Kumararajah M.A.M. Muthiah Chettiar “Chettinad House”, Rajah Annamalaipuram, Madras 28.		100
5.	M.A.M. Ramaswamy Chettiar, S/o Dr. Rajah Sir Muthiah Chettiar of Chettinad, Merchant & Industrialist, “Chettinad House”, Rajah Annamalaipuram, Madras 28.		500
6.	Sigapi Ramaswamy W/o M. A. M. Ramasami Chettiar “Chettinad House”, Raja Annamalaipuram, Madras 28.		100
7.	A. N. Venkatachalam Chettiar S/o Annamalai Chettiar, Asst. Secretary, Lotus Mills Ltd., Sundarapuram, Podanur		100
8.	A. Ganapathi Chettiar S/o Annamalai Chettiar, Manager, Madura South India Corporation Private Ltd., Madras, 2/70, Broadway, Madras 1.		100

9.	V. Vaidyasubramanyam Son of Vaidyanatha Iyer, Secretary, “Navasuja”, Rajah Annamalaipuram, Madras 28. Total Shares...		100
			2100

Dated at: 7th December, 1962.

Witness: D.V. VENKATESWARAN, Son of Venkatarama Ayyar, P.A. to Dr. Rajah Sir
M.A. Muthiah Chettiar, “Chettinad House”, Rajah Annamalaipuram, Madras 28.